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FOREIGN
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Daily Report

Annex

East Asia

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East Asia
ANNEX

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Japan

Saddam Husayn 'Highly Rated' Nakasone Proposal

OW0401143191 Tokyo YOMIURI SHIMBUN in Japanese 4 Jan 91 Morning Edition p 1—FOR OFFICIAL USE ONLY

[Text] With the 15 January deadline for the Iraqi withdrawal from Kuwait near at hand, Iraqi President Husayn on 2 January highly rated former Prime Minister Nakasone's seven-item peace proposal and requested that Nakasone actively make approaches to the United States with the proposal. This was disclosed on 3 January.

The Nakasone proposal calls for turning the waters directly around Bubiyan and Warbah Islands into an international strait on condition of immediate and complete withdrawal from Kuwait. The Nakasone proposal, prepared by former Prime Minister Nakasone on the basis of his talks with President Husayn during his visit to Baghdad last November, was entrusted to former Posts and Telecommunications Minister Bunsei Sato (special adviser to the Japan-Arab Friendship Association), who was on a visit to Iraq until 3 January.

Mr. Nakasone plans to explain to U.S. President Bush President Husayn's view on the seven-item proposal after hearing a detailed report from Sato, who is scheduled to return home on 5 January. Mr. Nakasone hopes to link his proposal to international moves for a peaceful solution, going hand in hand with peace endeavors which are building up at the European Community (EC).

The Nakasone peace proposal was handed over to First Deputy Prime Minister Ramadan through Sato and then to President Husayn through the deputy prime minister on 30 December. On 2 December (local time), the Iraqi side showed its response to the proposal through Foreign Minister Tariq 'Aziz.

The contents of the seven points of the peace proposal are: 1) Iraq should withdraw its forces from Kuwait immediately and completely; 2) if Iraq withdraws, the multinational forces, excluding the forces of the Arab nations, would pull out promptly; 3) the sovereignty and territories of Iraq, as well as the lives and property of its people, would be respected; 4) no country would file claims against Iraq; 5) the delineation of the Iraqi-Kuwaiti border and the title to underground resources would be entrusted to negotiations between the two countries; 6) measures would be studied for guaranteeing free access for Iraq to the Persian Gulf such as by turning the waters directly adjacent to Bubiyan and Warbah islands into an international strait; and, 7) when the above items are in effect, a venue would be established for international consultations among the nations concerned in the region and permanent members of the UN Security Council for the purpose of establishing peace in the Middle East.

Reportedly, President Husayn told Sato, through Foreign Minister 'Aziz, during their talks on 2 January: "I read the proposal carefully; I want to highly rate it and to make the best use of it." The president reportedly entrusted Sato with a message to Mr. Nakasone, saying, "I look forward to your continued, active approach."

Nakayama To Meet With Baker in Washington 14 Jan

OW0701133991 Tokyo JIJI in English 1234 GMT 7 Jan 91—FOR OFFICIAL USE ONLY

[Text] Tokyo, Jan. 7 (JIJI PRESS)—Foreign Minister Taro Nakayama is planning to meet with U.S. Secretary of State James Baker in Washington Jan. 14 or just after the secretary returns home from an extended tour of Europe and the Middle East.

The tour from Sunday will take Baker to such countries as Switzerland, France and Saudi Arabia. In Geneva, he will meet with his Iraqi counterpart Tariq 'Aziz Wednesday in a last-ditch effort to settle the Persian Gulf crisis.

During talks with Baker, Nakayama will be briefed on the outcome of the Geneva meeting and the future U.S. attitude toward the five-month-old Gulf crisis, Foreign Ministry sources said. Baker is also expected to ask Japan to extend additional assistance to U.S.-led multinational forces currently deployed in Saudi Arabia.

Nakayama will also fly to Moscow in late January to meet with his Soviet counterpart Eduard Shevardnadze. The Japan-Soviet foreign ministerial meeting is expected to take place Jan. 22-23, the sources said.

In Washington, Nakayama will sign a special accord to increase Japan's burden sharing of upkeep costs for U.S. Forces stationed in Japan, the sources said. The signing will follow agreement at working-level talks between Japan and the United States in December. The special accord calls on Japan to pay expenses for wages for Japanese workers at U.S. bases and utility expenses, including lighting and heating, for five years from fiscal 1991.

While in Washington until Jan. 16, Nakayama also wants to meet with President George Bush and U.S. Trade Representative Carla Hills to discuss other issues pending between Japan and the United States.

The United States is likely to renew its request for Japan to liberalize rice trade as world trade negotiators have reached no agreement on freer farm trade at the current Uruguay round trade talks.

At the planned meeting with Shevardnadze, Nakayama will discuss specifics of documents and a joint declaration to be issued during Soviet President Mikhail Gorbachev's visit to Japan in April, the ministry sources said.

II

Nakayama, ROK Envoy on Reinforcing Relations

OW0501212191 Tokyo JIJI in English 1414 GMT 5 Jan 91—FOR OFFICIAL USE ONLY

[Text] Tokyo, Jan. 5 (JIJI PRESS)—Foreign Minister Taro Nakayama said Saturday that Japan hopes to reinforce its relations with South Korea in the wake of Prime Minister Toshiki Kaifu's visit to Seoul set for Wednesday and Thursday.

He made the remark at his meeting with South Korean Ambassador to Japan Yi Won-kyong.

Yi congratulated Nakayama for being reappointed as foreign minister when Prime Minister Toshiki Kaifu reshuffled his cabinet in late December.

Nakayama and Yi shared the view that it is desirable for Japanese and South Korean foreign ministers to meet frequently for better bilateral relations.

LDP's Kato on UN Peace Cooperation Bill

OW0601003891 Tokyo SANKEI SHIMBUN in Japanese 31 Dec 90 Morning Edition p 2—FOR OFFICIAL USE ONLY

["Summary" of interview with Mutsuki Kato, chairman of the Liberal Democratic Party Policy Research Council, by unidentified SANKEI SHIMBUN reporter on 30 December; place not given]

[Text] [SANKEI SHIMBUN] The situation in the Middle East remains uncertain. How do you plan to tackle the work of preparing a new bill on UN peace cooperation?

Kato: The government is currently working hard on a new bill in accordance with an agreement among the Liberal Democratic Party [LDP], the Komeito, and the Democratic Socialist Party [DSP]. Should the government find the work of preparation to be beyond its capability, the Diet may have to take it over eventually. We are carefully watching the situation. I hope that the Japan Socialist Party [JSP] will participate in the LDP-Komeito-DSP negotiations. Our country should make further contributions to peace and stability in the world, supporting resolutions by the UN Security Council [UNSC]. Monetary contributions alone are not good enough. Japan should pay maximum attention to and have concern about what may happen around the UNSC deadline of 15 January, or else it can get into a serious trouble.

[SANKEI SHIMBUN] What is your comment on the revision of the consumption tax, which was high on the agenda at the two houses' joint conference on tax issues?

Kato: The proposed bills on investment proceeds, profit taxes, and duty free items should be passed and put into force as they become ready. The LDP tax revision plan has been criticized by not only the Rengo, DSP, and the Social Democratic Federation, but also by some LDP members. Once the current ordinary Diet session resumes, meetings of party secretaries and specialists will be held to discuss emergency measures of the consumption tax. I hope a final tax revision plan will be worked out among the LDP, JSP, Komeito and DSP.

[SANKEI SHIMBUN] What is your plan on a proposed land holding tax?

Kato: You must not focus only on the issue of a land holding tax. We also should think about an overall strategy to prevent land from being used as a means of saving taxes. The land price issue cannot be resolved by taxation only. We should map out a comprehensive plan, including the utilization of idle land lots and credit restrictions.

[SANKEI SHIMBUN] There will be new multilateral trade negotiations (Uruguay Round) of the GATT early in the new year. Your comment on it, please.

Kato: The whole nation seeks a successful conclusion to the Uruguay Round talks. Meanwhile, the stance of the LDP and the government remains unchanged.

[SANKEI SHIMBUN] Are you sure that Japan can maintain its policy of not liberalizing?

Kato: Yes, I am sure.

New MITI Head Takes Tough Stand on Rice Issue

OW0101183391 Tokyo THE JAPAN TIMES in English 31 Dec 90 p 2—FOR OFFICIAL USE ONLY

[By Ako Washio: "New Minister of Trade and Industry Takes a Tough Stand on Rice Imports"; from the "Cabinet Interview" series]

[Text] The United States, Japan's largest trade partner, may find a tough trade negotiator in Eiichi Nakao, the newly appointed minister of international trade and industry.

His predecessor, Kabun Muto, implicitly wanted Japan's agriculture policies—in particular the ban on rice imports—changed to accommodate some, if not all, the U.S. pressure on the country to liberalize its farm product market. He saw this as a way of alleviating protectionist sentiment in other countries.

In an interview Sunday, Nakao said he respected a Diet resolution against imports of rice and emphasized the need for further dialogue, rather than negotiations, with U.S. leaders. He said this would help deepen their understanding of the Japanese rice policy. "I would like to make a visit to the United States in my new capacity as soon as possible to have ministerial talks," he said. He indicated that his U.S. trip will take place next month, or by the end of February at the latest.

III

Lack of understanding

Nakao, who is acquainted with some U.S. Congressmen, said, "As far as I know, it is doubtful that the Americans fully understand Japan's real situation (regarding rice)."

Despite a steady decline in the rice-growing population, farmers remain the most powerful voter base for the ruling Liberal-Democratic Party. At the same time, the party gives its highest priority to the alliance with the United States in pursuing international policies. Referring to what he sees as the need to keep protecting rice growers, Nakao said: "Japan has its own ideas and traditions. There is a long history of rice cultivation."

Speaking of the government's past efforts to make Americans understand its ban on rice imports, the new MITI [Ministry of International Trade and Industry] chief said such efforts have not been sufficient. He called for a new approach of systematic persuasion.

It is not enough for Japanese leaders to visit the United States just for the sake of having formal meetings with their U.S. counterparts, he said. "It is all right to proceed with the Uruguay Round trade talks at a working level, but ministerial talks are necessary to influence each other on a broader perspective. I believe there remains some room for such high-level talks," he said.

The multilateral trade talks under the auspices of the General Agreement on Tariffs and Trade, originally scheduled to be wound up in December, are now to be resumed in January.

EC diversion

Although Nakao appears loyal to the protectionist Diet resolution, he noted that Japan so far has not been singled out for international criticism for its farm policies in the Uruguay Round, thanks to the agricultural policy wrangle between the U.S. and the European Community. "It would cause a very serious problem for Japan if Europe and the United States reach a mutually acceptable resolution" to break the impasse, he admitted. The possibility of partially opening the rice market remains political dynamite in Japan.

Nakao's predecessor caused friction with the Agriculture, Forestry and Fisheries Ministry by remarks that were taken to mean that MITI favors partial liberalization of the rice market to stem anti-Japanese protectionism in the U.S.

Apart from the rice issue, Nakao said, Japan and the United States should try together to make greater contributions to the Uruguay Round of talks. "If the Uruguay Round were to collapse, protectionism would prevail throughout the world trade structure. It would inflict a great deal of damage on Japan," he said. "Therefore the country should give due consideration to the benefit of other countries and prevent itself from being isolated in the world. Japan cannot survive if it is isolated from other nations."

Reform Council Chairman Wants Rice Issue Debate

OW2712233890 Tokyo THE DAILY YOMIURI in English 25 Dec 90 p 8—FOR OFFICIAL USE ONLY

[Text] A row has broken out in government ranks after it was reported that Eiji Suzuki in a Dec. 20 meeting with Prime Minister Toshiki Kaifu had urged the inclusion of the rice issue on the agenda of the January session of the Ad Hoc Administrative Reform Council, of which he is chairman.

Certain officials of the Liberal Democratic Party [LDP] and the Ministry of Agriculture, Forestry and Fisheries are upset because they consider the matter closed after the failure to reach agreement during the recently concluded GATT [General Agreement on Tariffs and Trade] Uruguay Round. Raising it again during Council debates would, they feel, work to the advantage of supporters of liberalization of the rice trade.

It is believed that Suzuki wanted to impress upon Kaifu that the Uruguay Round talks were too important for intransigence over rice trade to be allowed to scuttle them, and that it was time for Japan to reconsider its stance. He apparently thinks it is impossible to exclude rice and other agricultural issues from discussions in the reform council.

Minister of Agriculture, Forestry and Fisheries Tomio Yamamoto told a news conference Dec. 21 that Suzuki had assured him that he had no intention of raising the rice issue immediately. But Yamamoto was clearly concerned that Suzuki's remarks might give impetus to the rice liberalization movement.

Opponents of this movement within the LDP say it makes no sense for the rice problem to be handled by the council because there already exists an LDP Agricultural Policies Council, which is an advisory body to the Prime Minister.

An official of the Management and Coordination Agency, which oversees the Ad Hoc Administrative Reform Council, said: "Political judgement needs to be exercised to obtain an agreement on the rice issue. It should not be allowed to dominate council deliberations, as there are several other matters to deal with."

LDP's Nishioka Predicts Rice Issue 'Decision'

OW0301113091 Tokyo THE DAILY YOMIURI in English 1 Jan 91 p 1—FOR OFFICIAL USE ONLY

[Text] Takeo Nishioka, chairman of the General Council of the Liberal Democratic Party, [LDP] said Sunday that Japan will soon be forced to make a "certain political decision" in connection with other countries' demands that the nation liberalize rice imports.

Referring to the Uruguay Round of multilateral trade negotiations in an interview with the YOMIURI SHIMBUN, Nishioka said that in anticipation of that event, the LDP must coordinate intraparty opinions and make efforts to reach a national consensus on the rice issue.

Nishioka stressed that Japan "must not play a leading role in causing a crack" in the free-trade system, indicating that a political decision should be made so that a settlement may be reached in the Uruguay Round in February.

In a separate interview with the newspaper, however, LDP Secretary General Ichiro Ozawa said Sunday he believes that not liberalizing rice imports will not necessary result in Japan's being isolated in the international community.

Ozawa indicated that he will not agree to partial liberalization of rice imports but that he will continue to seek a way to prevent Japan from becoming isolated through diplomatic negotiations. The remarks by Nishioka and Ozawa showed there is a wide gap in opinion on the issue even among LDP executives.

In another interview with the YOMIURI SHIMBUN Sunday, Agriculture, Forestry and Fisheries Minister Motoji Kondo said discussions at the Uruguay Round, to be resumed on Jan. 15, will focus on a proposal by the chairman of the agriculture subcommittee. The proposal calls for "minimum access" to major food markets such as for rice.

Foreign Policy Issues Facing New Cabinet Viewed

OW0101154891 Tokyo THE JAPAN TIMES in English 31 Dec 90 pp 1, 2—FOR OFFICIAL USE ONLY

["Analysis" article by Takashi Kitazume: "Appointees To Be Challenged By Tough Foreign Policy Issues"]

[Text] The new Cabinet of Prime Minister Toshiki Kaifu faces numerous important diplomatic tasks that may require tough political decisions early in the coming year.

This prospect is apparently why Kaifu decided to retain Foreign Minister Taro Nakayama for a third term. The decision reflects the government's apparent need to maintain consistency in its foreign policy.

The nation is faced with crucial issues involving its relations with the United States, the Korean Peninsula and the Soviet Union. But topping the agenda is the Gulf crisis, for which the prospects of a peaceful solution are growing dim. Only half a month remains before the Jan. 15 deadline set by the United Nations Security Council for Iraq's withdrawal from Kuwait, and Iraq and the U.S. have not yet agreed on dates for proposed talks.

U.S. relations at stake

The Foreign Ministry is concerned that developments in the Gulf over the next several weeks will strongly affect Japan's relations with the United States.

If the crisis is either prolonged as a military standoff or deteriorates into a war between Iraq and the multinational force in the region, Washington is likely to call on Japan for financial assistance above the $4 billion already pledged, Foreign Ministry officials said. The government will also have to make good its pledge to work out changes in the law that would allow it to send personnel overseas to contribute to international peacekeeping efforts.

More than a month has passed since the scrapping of the original United Nations Peace Cooperation bill, which was intended to allow Self-Defense Forces [SDF] personnel to be sent to the Gulf for nonmilitary purposes. The bill was abandoned because of resistance from the opposition parties and negative public opinion. Though the ruling Liberal-Democratic Party and centrist opposition parties agreed to work out an alternative measure that would exclude SDF participation, neither side has yet made evident moves in that direction.

Trade worries

The government is also concerned that if the Uruguay Round of trade talks end in failure, Washington will put bilateral or even unilateral pressure on Japan to open up its rice market to foreign producers.

The final ministerial session of the Uruguay Round, held in December under the General Agreement on Tariffs and Trade, broke up without any agreements being reached due to an impasse between the U.S. and Europe over how to reduce or eliminate their farm subsidies.

Though Japan's rice ban was not put at the forefront of the Brussels talks, the government was alarmed by an aborted compromise proposal to break the agriculture deadlock, which suggested "minimum access" to agricultural markets in all member countries. Washington has been urging Japan to lift its ban on rice imports to help facilitate a successful conclusion of the talks when they are resumed. If the negotiations fail, the U.S. will make the rice issue part of its Super 301 trade measure, Foreign Ministry officials warn.

Although some ministry officials are worried Japan may have to compromise on the rice issue, the government has generally shown no signs of retreating from its position that Japan must remain totally self-sufficient in rice.

Korean challenges

The government also faces diplomatic challenges concerning South and North Korea.

Prime Minister Kaifu is scheduled to visit Seoul beginning Jan. 9 to discuss the legal status of Korean residents in Japan and other issues with President No Tae-u. Later this month, the government is to begin negotiating with Pyongyang on normalizing bilateral relations.

Though the stage has been set for the talks with North Korea, the two governments are expected to disagree over such issues as North Korea's demand that Japan pay reparations for both the prewar colonization and the postwar years, and Japan's demand that Pyongyang allow the International Atomic Energy Agency to check its nuclear facilities for weapons production.

The normalization talks with Pyongyang will be among the topics discussed at the meeting between No and Kaifu. No has asked Japan to keep close contact with Seoul in proceeding with the negotiations.

Soviet leader plans visit

Then comes the planned visit of Soviet President Mikhail Gorbachev in April, the first visit to Japan ever by a Soviet leader, which the government hopes will usher in a new era in Japanese-Soviet relations.

But the prospects for Gorbachev's visit, and expectations that it would provide a solution to the longstanding territorial dispute over four Soviet-occupied islands off Hokkaido, have been diminished somewhat by Soviet Foreign Minister Eduard Shevardnadze's surprise resignation this month. His announcement shocked the Japanese government because he had overseen Soviet relations with Japan for the past five years. The foreign ministers of the two countries had been scheduled to meet in early January to prepare for the Gorbchev visit, but the meeting was postponed due to Shevardnadze's move.

The ministry is concerned that the schedule for Gorbachev's trip will be affected if the preparatory talks are delayed too long. So far, no substantial progress has been made in the territorial dispute, despite a series of working-level discussions. The government had hoped Gorbachev would make a "political decision" on the issue when he comes to Japan.

Ministry Creates Aid Plan for Developing Nations

OW0401125391 Tokyo THE DAILY YOMIURI in English 3 Jan 91 p 2—FOR OFFICIAL USE ONLY

[Text] A new aid program for developing nations created by the Posts and Telecommunications Ministry will start Friday.

The Voluntary Deposit for International Aid, originally proposed in June 1989 by an advisory committee to the head of the ministry's Postal Savings Bureau, is the first foreign aid program which makes use of depositors' postal savings accounts, ministry officials said.

In the new program, 20 percent of the annual interest yielded on ordinary postal savings accounts will be pooled and distributed among nongovernmental foreign aid organizations in Japan. In the case of a depositor with a balance of Y100,000, for instance, his annual interest of 3.48 percent is Y3,480. If the depositor joins the program, about Y560, 20 percent of Y3,480 minus deposit tax, will be deposited to the ministry for use in the aid program, the officials explained.

An ordinary savings depositor can join the program by simply bringing his deposit book and personal seal to a nearby post office, they said. The ministry launched a campaign last month to invite depositors to join the program, prior to its official start on Jan. 4.

The official said the balance of an estimated 74 million ordinary savings accounts was about Y10 trillion as of the end of fiscal 1989. According to ministry estimates, about Y700 million from 1.2 million accounts will be collected for the program by the end of next March, when 1990's yearly interest is paid.

The ministry will consult the Postal Services Council regarding the distribution of funds among the aid organizations that have applied for donations. Currently, the ministry is studying the operating plans and past achievements of about 300 aid organizations in preparation for the start of the program.

According to the ministry's office of Voluntary Deposit for International Aid, the program's planned goals include sending food and medical supplies, building irrigation and other facilities, and planting trees in developing nations through aid organizations.

The office spokesmen stressed that the new program is based entirely on voluntary donations from Japanese citizens, unlike official development projects coordinated by the Foreign Ministry.

Furthermore, it is designed to be a long-term assistance program, which is also capable of responding to urgent needs. Also, the organization's operations and thorough accounts regarding the use of the donated money, will be publicized they added.

Tatsuo Hayashi, director of the Japan International Volunteer Center, a group that focuses on helping refugees from Indochina, welcomed the launching of the savings donation system. "It will give us an opportunity to advertise our activities and objectives through post offices nationwide," he said.

AKAHATA Interview With JCP Chairman, Part 2

OW0501141891 Tokyo JPS in English 0939 GMT 5 Jan 91—FOR OFFICIAL USE ONLY

[Part two of 1 Jan interview with Kenji Miyamoto, chairman of the Central Committee of the Communist Party of Japan (JCP), by AKAHATA correspondent Kawamura]

[Text] Tokyo Jan 5, (JPS)—

VI

(Ratio of Vast Military Expenditure in the Soviet Economy)

[Miyamoto] A concrete example easy to see is the military expenditure. Though there have been various figures made public by the Soviet authorities, according to answers by Foreign Minister Shevardnadze in the Soviet Supreme Congress on October 15 1990, the total Soviet military expenditure in 1989 in accordance with an international criteria was some 77.9 billion (77,900,000,000) rubles (about 18.7 trillion yen at the present rate). He also said in the 28th Congress of the Communist Party of Soviet Union last July that the cost of the military confrontation had amounted to 700 billion rubles during the 20 years of ideological conflict with the West. That amount was the increase of military expenditure during the Brezhnev period when the Soviet Union competed with the United States in the arms race. In addition, about one quarter of the national budget is for military expenditure. Considering that the question whether military expenditure is within one percent of the gross national product is an issue in Japan, the ratio of Soviet military expenditure to Soviet GNP, as 7.5 percent, is vast compared to Japan. It is not possible for a country to manage if such an amount of its resources which should be devoted to reproduction is devoted to military expenditure.

We are frequently asked in other countries why Japan is so developed economically, and we answer that "the biggest reason is that the Japanese peace forces have defended the peace constitution and held down military expenditure." They then look vague, do they understand it or not (laughter). In the Soviet Union, therefore, heavy industries are central, and expenditure for the production of consumption goods is very small. This is put by the Soviet Government. In this situation, it is natural that consumption goods are in short supply, and queues have often existed before and since the current crisis. Goods at the retail outlets are poor quantity. On this problem, Foreign Minister Shevardnadze frankly said in his answer to the conservatives that the question is what type of troops are necessary for a bankrupt state and the poor people. In this respect, his viewpoint is just. According to the August 23 issue of daily NOVOSTI, O. Suleymenov, author and a people's deputy, criticized the small budget for the people's health, in contrast to the vast military budget.

In the arguments on economic questions of the Soviet Union, there are only a few pointing out the connection of military expenditure. The question of military expenditure is an important part of the policies of big power chauvinism and hegemonism of the Brezhnev type, and under such policies, the economy cannot do well, even if they try to manage.

(Soviet Leaders Learning From Japanese Economy)

Another thing often called into question is the relationship between a planned economy and a market economy. As I mentioned it in last-year New Year interview, I won't repeat it in detail. There are some 10,000 different types of authorizations and permissions that are granted by the ministries of the Liberal Democratic Party government. The Japanese Government made a 5-year integrated economic plan which started in 1988. It is called "Japan Living Together With the World". It includes plans on development ratios, commodity price trends, and working hours. The government is promoting a planned economy in each sphere, based on these plans. They have their own plans.

In the economy, it is a matter of course that great importance is given to the market demand factor of the people. In relation to this point, there is Lenin's experience that in his later years, as a result of trials and errors, he put an end to "wartime communism" which applied during the civil war, and introduced the new economic policy including a market economy, stressing that it is necessary to make use of capitalist factors. A market economy can basically coexist with a socialist planned economy. But the situation has became so curious that officials of Soviet Governmental institutes, who know nothing about the structure of capitalism and cannot find a way to escape from capitalism, came to Japan and said, "this is a model for socialism". In this situation, we would like to put a special stress on such a fundamental point.

(Undeniable Soviet Historical Achievements)

The last point to be mentioned on the Soviet question is the historical role played by socialism, apart from the question of how the present system of socialism and the Soviet Union will overcome the current difficulties. For example, the position declared by Lenin at the time of the October Revolution, including national self-determination, world peace and the proposal for a ban on cruel weapons which has something in common with the present task of eliminating nuclear weapons, social security, equal rights for both sexes, was a pioneering proclamation of a socialist country and it has become an invaluable asset of humanity. As JCP publications have frequently pointed out, its endurance has exerted a favorable influence on the social security systems of capitalist countries. Socialism by its very nature should express its position through such policies.

The other important achievement is that even under the government of Stalin, the Comintern called for an anti-fascist united front and the united action of the anti-fascist forces was victorious in World War II. The mere thought of what would have happened if Japanese militarism and Hitler's fascism had become the rulers of the world also gives one a good understanding of this great historical achievement.

The fact that the Soviet Union is now in such disarray is no reason to deny the imperishable historical achievements of the Soviet Union and socialism. It should be stressed that the prewar and postwar activity of the JCP based on scientific socialism and in line with social development, with its contribution to history, is imperishable, no matter what has happened in Eastern Europe and the Soviet Union. The JCP has clearly stated this against the current of opportunism.

In particular, the struggle of the JCP prewar, the only party opposing the war of aggression and the absolutist tenno (emperor) system, calling for the liberation of the colonies, in the period of despotic dark rule, speaks for itself as the JCP having kept faith with the theory of scientific socialism. The Soviet situation cannot in any way lessen this imperishable achievement.

The movement based on scientific socialism should be developed in many countries of the world in the future. With capitalist countries being the overwhelming majority in the world, the quest by a country or a society for the correct course based on scientific socialism constitutes the greatest contribution to humanity. Japan especially has a serious responsibility, as the way towards socialism in a developed capitalist country has not yet been travelled.

The JCP has been giving attention to world events, and has clearly said "no" on such events whenever necessary. Soon after World War II, our limited knowledge of the world situation and not clearly getting to know about Stalin's mistakes caused some lag in our approach. But we take pride in the fact that we established by ourselves the party program in the 8th party congress in 1961 and have been making consistent efforts since then to correct the errors made by the Soviet Union and others.

The JCP has already referred to the question of the Soviet Union in connection with the East European countries. Mention has been made many times on the achievements of socialism and that the prewar and postwar activity of the JCP is lasting. I must stress once more that it does not make sense to be discouraged now on the Soviet situation.

Part 3 of Interview

OW0701113091 Tokyo JPS in English 0945 GMT 7 Jan 91—FOR OFFICIAL USE ONLY

[Part three of 1 Jan interview with Kenji Miyamoto, chairman of the Central Committee of the Japanese Communist Party (JCP), by AKAHATA correspondent Kawamura]

[Text] Tokyo Jan 7 JPS—

How to Think of Present Conditions of the World Communist Movements in the World

Kawamura: You have talked about the basic attitude we should take towards the present position of the conditions in the Soviet Union, and then about the role scientific socialism has performed in history. Now would you leave the problems of the Soviet Union and take up matters concerning the communist movement in the world. What is your frank opinion about this?

Miyamoto: In these few months there have been several things to be noted in the communist movements in the world.

(Three Events in These Months)

One was a meeting of communist and workers' parties of Latin America and the Caribbean which was held in Mexico in December last year. They issued a declaration, saying that Marxism-Leninism "continues to be valid because it is a living and developing theory." Apart from the Latin American parties represented, parties from countries which call themselves socialist, the Soviet Union, China, North Korea, and Vietnam, sent representatives as observers—though no one attended from the parties of the other Eastern European countries. Of course, the Japanese Communist Party was not invited. It should be noted that the JCP has stopped using the term "Marxism-Leninism." This is not only a question of terminology, but it is because we don't see scientific socialism as a bible: we reject the attitude of looking upon every word and phrase by Marx, Engels and Lenin as inviolable dogma. This is the reason we can say scientific socialism is immortal: it develops as the history of world advances. But the parties who attended the meeting don't have such a definite idea. Though they say that a certain model of socialism has collapsed in East Europe, they cannot identify that model. This is the limitation of those parties.

The second is the congress of Communist Party of Czechoslovakia, which was held recently. It gave account of the 1968 invasion of Czechoslovakia by the Soviet Union and several other countries, but all that was given was a chronology of the events. Essentially, no analysis based on scientific socialism was made of the nature of the invasion, nor were any lessons drawn on how the party should have acted in the face of the invasion.

AKAHATA of December 10 carried remarks of a member of the leadership which sponsored in 1968 the 14th Congress of the Communist Party of Czechoslovakia, in protest at the invasion by the troops of the Soviet Union and other countries. It has been said that the spirit of communism in Czechoslovakia died with the end of this congress. The Czechoslovak party has survived the upheaval but has yet to make a program for the future.

The third is the messages from other parties sent to the 28th Congress of the Communist Party of the Soviet Union in July, 1990. As far as the texts published by PRAVDA are concerned, none of them criticized hegemony and big-power chauvinism. About twenty messages, including the JCP's which made a frank criticism of the errors by the Soviet Union, were not published by the paper, and several of them may have put a just argument. Nonetheless, the fact remains that over a hundred messages published didn't make any criticism of hegemony and big-power chauvinism. Big-power chauvinism and hegemony are the primary causes of disease affecting the communist movements in the world

FOREIGN
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Daily Report

East Asia

FBIS-EAS-91-004
Monday
7 January 1991

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Daily Report
East Asia

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Japan

Foreign Ministry Welcomes Iraq-U.S. Talks

OW0501070791 Tokyo KYODO in English 0645 GMT 5 Jan 91

[Text] Tokyo, Jan. 5 (KYODO)—Japan welcomed Saturday Iraq's decision to accept a U.S. proposal to hold foreign ministerial talks in Geneva on Wednesday, saying it hopes the dialogue would avert war in the Middle East.

"The government of Japan strongly hopes that this dialoge will achieve a constructive result and will lead to a peaceful solution" of the Gulf crisis, Foreign Ministry Spokesman Taizo Watanabe said in a statement.

Iraq announced Friday that Iraqi Foreign Minister Tariq 'Aziz has accepted the U.S. proposal and will meet U.S. Secretary of State James Baker in Geneva January 9.

The Baker-'Aziz meeting will take place only six days before the United Nations-set deadline of January 15 for Iraq to quit Kuwait or face the possibility of attack by U.S.-led multinational forces arrayed in the Gulf region.

Foreign Ministry sources, however, said that since Iraq is resisting unilateral concessions, it cannot be said that the Geneva talks would rule out a possible military clash after the deadline.

The sources said Japan, while keeping close contact with the United States, will intensify international pressure on Iraq and urge an Iraqi concession to defuse the crisis.

The sources suggested that Iraq had accepted the U.S. proposal for direct talks because Iraq has taken seriously the U.S. warning that force will be used to drive Iraqi troops out of Kuwait after the deadline. They added there could be various new developments before Iraq withdraws its troops from Kuwait.

Iraqi Concession Urged

OW0501033091 Tokyo KYODO in English 0305 GMT 5 Jan 91

[Text] Tokyo, Jan. 5 KYODO—The Japanese Government welcomes the U.S.-Iraq foreign ministerial talks set for Wednesday, hoping the meeting to make a key step to solution to the Gulf crisis, Foreign Ministry sources said Saturday. [sentence as received]

The sources were commenting on Iraq's announcement Friday that Iraqi Foreign Minister Tariq 'Aziz will meet U.S. Secretary of State James Baker in Geneva January 9, accepting the U.S. proposal for talks on the Gulf crisis precipitated by Iraq's invasion of Kuwait August 2.

The Baker-'Aziz meeting will take place only six days before the United Nations-set deadline of January 15 for Iraq to quit Kuwait or face the possibility of attack by U.S.-led multinational forces arrayed in neighboring countries.

However, the sources said that since Iraq is resisting unilateral concessions, it cannot be said that the Geneva talks would rule out a possible military clash after the deadline.

The sources said Japan, while keeping close contact with the United States, will intensify international pressure on Iraq and urge an Iraqi concession to defuse the crisis.

The sources suggested that Iraq had accepted the U.S. proposal for direct talks because Iraq has taken seriously the U.S. warning that force will be used to drive Iraqi troops out of Kuwait after the deadline.

They added there could be various new developments before Iraq withdraws its troops from Kuwait.

Ex-Minister on Iraqi Reaction to Nakasone Plan

OW0501041091 Tokyo KYODO in English 0339 GMT 5 Jan 91

[Text] Tokyo, Jan. 5 KYODO—Iraqi leaders welcomed a peace plan proposed by Japan's former Prime Minister Yasuhiro Nakasone, which includes holding an international conference on the Middle East problem, a former Japanese cabinet minister said Saturday.

In the seven-point peace initiative, Nakasone also proposed that the waters surrounding Warba and Bubiyan Islands, which control Iraq's access to the Gulf, be internationalized on condition that Iraq withdraw its troops from Kuwait, said Bunsei Sato, former posts and telecommunications minister.

Sato, a senior member of the ruling Liberal Democratic Party (LDP), made the remark at New Tokyo International Airport at Narita as he returned home from Iraq with Kazuo Nozaki, a 45-year-old company employee who was the only Japanese left behind in that country. He said at an airport news conference that he had conveyed Nakasone's peace plan to Iraq's first Deputy Prime Minister Yasin Ramadan in a meeting on December 30.

When Sato met Iraqi Foreign Minister Tariq 'Aziz on January 2, 'Aziz asked Sato to relay his sincere gratitude for the plan to Nakasone, according to Sato. In the talks, 'Aziz counterproposed that the Palestinian problem and leases on the two islands also be discussed during possible negotiations with the United States, Sato said.

The former minister also said that he had called on 'Aziz to hold a meeting between Iraqi leaders and Nakasone, former Chancellor Willy Brandt of the now defunct West Germany, and former Indian Prime Minister Rajiv Gandhi.

In response, 'Aziz suggested that former U.S. President Jimmy Carter also be included in such a meeting, Sato added.

Sato said Nakasone may again visit Baghdad around January 15, the deadline set by the United Nations. On

November 29, the U.N. Security Council authorized the use of force unless Iraqi troops pull out of Kuwait by that day.

Nakasone and an LDP delegation visited Baghdad in early November and won the release of 74 Japanese nationals held hostage by Iraq.

Nakasone later told reporters he will not return to Baghdad as long as peace negotiations between the United States and Iraq are under way.

He added, however, that he is ready to visit Baghdad again if necessary to negotiate a peaceful settlement with Iraqi leaders.

Nakasone said he has sent a message to U.S. President George Bush telling him that Iraq showed a positive reaction to his peace proposal.

He predicted that U.S. Secretary of State James Baker may fly to Baghdad from Geneva for talks with Iraqi President Saddam Husayn.

Baker is scheduled to meet 'Aziz in Geneva Wednesday in a final attempt to avert war.

Hashimoto Says No More Gulf Aid at Present

OW0701084191 Tokyo KYODO in English 0819 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Finance Minister Ryutaro Hashimoto on Monday refused to extend more financial assistance other than the 4 billion dollars already pledged for the Persian Gulf crisis for the time being, government officials said.

Hashimoto indicated the difficulty of providing additional financial assistance during a meeting of leaders of the government and the ruling Liberal Democratic Party, the officials said.

The finance minister told the meeting there is no room to provide additional financial support over the Gulf crisis under the current fiscal 1990 budget, which covers spending through March 31.

Japan has already promised 2 billion dollars in assistance each to the U.S.-led multinational forces and also to the so-called frontline states, particularly Egypt, Jordan and Turkey, which are hardest hit by the five-month long crisis.

Hashimoto acknowledged, however, that the United States may file a fresh request for more Japanese financial contributions to the multinational forces amassed in the Gulf region, the officials said.

JSP Chairwoman Hoping To Visit Iraq in Jan

OW0601105191 Tokyo KYODO in English 1016 GMT 6 Jan 90

[Text] Tokyo, Jan. 6 (KYODO)—Takako Doi, chairwoman of the Japan Socialist Party (JSP), said Sunday she would like to visit Baghdad between January 11 and 13 to discuss a peaceful settlement of the Persian Gulf crisis with Iraqi President Saddam Husayn.

Iraq faces a January 15 deadline from the United Nations Security Council to leave Kuwait or face war with the U.S.-led multinational forces.

The No. 1 opposition party leader told Iraqi Ambassador to Tokyo Rashid al-Rifai, whom she had invited to party headquarters, of her hope to make the visit. Al-Rifai said he will consult his government and do his utmost to arrange the visit.

Doi wants to leave Tokyo on January 8, the day after she expects a response from the Iraqi Government, for Paris on her way to Baghdad. She plans to meet with French President Francois Mitterrand to discuss the Gulf crisis during her stopover in Paris.

In Sunday's meeting with Al-Rifai, Doi reiterated the JSP position that Iraqi troops must withdraw from Kuwait. The Iraqi envoy, however, ruled out the possibility of a unilateral pullout of Iraqi troops. He said an Iraqi withdrawal is possible only if U.S.-led multinational forces also leave the Gulf region after Iraqi talks with the United States. Al-Rifai repeated Iraq's stance that any Middle East settlement must be a comprehensive one covering the Palestinian issue.

Masato Okita, a JSP Diet member who met with Husayn in Baghdad late last month, and other party officials would accompany Doi if she is able to make the visit.

Official: Peace in Gulf More Likely Than War

OW0701121291 Tokyo KYODO in English 1144 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—With the deadline for the Iraqi pullout from Kuwait looming closer, a top Foreign Ministry official said Monday the chances for a peaceful resolution of the Persian Gulf crisis are "slightly greater" than the chances for war.

The top official, who spoke to reporters on condition of anonymity, said his cautiously optimistic prediction was based on the fact that active diplomatic efforts are still under way by the United States, the European Community, and the Arab League. But he said that if such peace endeavors are given up out of pessimism, the balance would tip toward the likelihood of conflict between Iraq and the U.S.-led multinational forces after January 15, the deadline set by the United Nations Security Council for Iraq to withdraw from Kuwait or face the possibility of being evicted by military force.

Meanwhile, Japanese companies with a physical presence in the Persian Gulf region were briefed by the Foreign Ministry earlier Monday on the government's view of the present situation. Officials said that some 45 representatives of 36 Japanese companies gathered at the ministry for a briefing, which was scheduled just ahead of U.S.-Iraq talks set for Wednesday. The companies, which included oil firms, trading companies, manufacturers, banks, and securities firms, were told that the turn of events cannot be predicted with any accuracy, officials said. They said it depends on the outcome of the talks in Geneva between U.S. Secretary of State James Baker and Iraqi Foreign Ministry Tariq 'Aziz.

Foreign Ministry officials said another round of briefing for Japanese businesses may be held in the event of a rupture of the Geneva talks to address more specifically what steps should be taken in advance of a possible outbreak of war. Japanese embassies in Persian Gulf states have already advised local Japanese firms to evacuate their nonessential personnel. About 1,000 Japanese still remain in the region.

Last National Arrives Home From Iraq 5 Jan

OW0501032591 Tokyo KYODO in English 0054 GMT 5 Jan 91

[Text] Narita, Chiba Pref., Jan. 5 KYODO—The only Japanese national left behind in Iraq returned home Saturday morning from Baghdad by way of Kuala Lumpur.

Kazuo Nozaki, a 45-year-old employee with C. Itoh and Co. who remained in Baghdad after all Japanese nationals detained by Iraqi authorities were freed in mid December, arrived at New Tokyo International Airport at Narita with Bunsei Sato, a former Diet member.

Sato, a member of the ruling Liberal Democratic Party, was instrumental in facilitating diplomatic procedures for Nozaki, whose departure from Baghdad was delayed because his visa had expired.

Nozaki, who was greeted by his wife Kiyomi and his colleagues at the airport, told reporters he wants to return to Baghdad in early February.

Nakayama on 'High Expectations' for Gorbachev Trip

OW0501120291 Tokyo NHK General Television Network in Japanese 1000 GMT 5 Jan 91

[Text] Foreign Minister Taro Nakayama said in an NHK Television program videotaped today that he has high expectations that the visit of Soviet President Gorbachev to Japan in April will provide a breakthrough in the northern territories dispute. The program is entitled, "Interviews With New Cabinet Members—Tasks Facing the Second Reshuffled Kaifu Cabinet."

Eight Cabinet ministers were interviewed in the program today. They are Foreign Minister Taro Nakayama; Finance Minister Ryutaro Hashimoto; Agriculture, Forestry, and Fisheries Minister Motoji Kondo; International Trade and Industry Minister Eiichi Nakao; Home Affairs Minister Akira Fukida; Defense Agency Director General Yukihiko Ikeda; National Land Agency Director General Mamoru Nishida; and Chief Cabinet Secretary Misoji Sakamoto.

Foreign Minister Nakayama said in the television program that he hopes Soviet President Gorbachev's visit to Japan, scheduled for mid-April, will provide a breakthrough in the territorial issue. He said the Japanese public wants to have all four islands returned in a package. To that end, he said he wants to visit the Soviet Union before the ordinary session of the Diet resumes on 25 January and hold talks with his Soviet counterpart to review outstanding issues between the two countries. The foreign minister emphasized that Japan will also begin preparations for President Gorbachev's visit in the hopes that it will provide a breakthrough in finding a solution to the northern territories dispute.

In connection with this, Finance Minister Hashimoto referred to economic assistance to the Soviet Union. He said there is no change in the fact that the northern territories issue between Japan and the Soviet Union was included in the Economic Declaration issued at the Houston summit last year. Therefore, he said, there must be a national consensus on the extent of Japanese assistance to the Soviet Union to be provided totally separately from that.

This program, Interviews With New Cabinet Ministers—Tasks Facing the Second Reshuffled Kaifu Cabinet, is scheduled to be broadcast at 0900 tomorrow morning [0000 GMT on 6 January] on the General Television Network and Satellite No. 2 Television Network and at 1930 tomorrow evening [1030 GMT on 6 January] on NHK No. 1 Radio.

Parliamentarians Depart for USSR 6 Jan

OW0601034991 Tokyo KYODO in English 0304 GMT 6 Jan 91

[Text] Narita, Chiba Pref., Jan. 6 KYODO—House of Councillors President Yoshihiko Tsuchiya left for an eight-day visit to Moscow on Sunday to sound out Soviet positions prior to President Mikhail Gorbachev's visit to Japan in April.

Tsuchiya, accompanied by a group of nonpartisan upper house members, is set to have talks with Supreme Soviet Chairman Anatoliy Lukyanov on Monday.

On Wednesday, the delegates are to meet with Russian Federation President Boris Yeltsin. The Japanese legislators also wish to pay a call on Gorbachev, but it is not yet known if this will be possible.

The upper house delegation is due to return to Tokyo on Sunday next week.

Government To Invite Bush for March Visit

OW0501083691 Tokyo KYODO in English 0810 GMT 5 Jan 90

[Text] Tokyo, Jan. 5 (KYODO)—Foreign Minister Taro Nakayama said Saturday the government intends to invite U.S. President George Bush to Japan in March. He added that he will travel to the U.S. later this month to pave the way for the presidential visit.

Nakayama was speaking during the recording of an NHK television program scheduled for broadcast Sunday. He said he plans to meet with U.S. Secretary of State James Baker to discuss the schedule of Bush's visit to Tokyo.

Nakayama said his talks with Baker will also cover a wide range of bilateral topics, including the U.S. demand that Japan shoulder a larger burden in maintaining the 50,000 U.S. troops stationed in Japan.

Nakayama told reporters after the videotaping session that the time for his U.S. visit is tentatively set at sometime before January 25 when the Diet will resume business after the New Year recess.

Japan and United States are at present trying to set a schedule for a high-level security meeting in which the foreign minister and defense agency director general are to attend from Japan, but the session is still pending because of the tension in the Persian Gulf, Foreign Ministry sources said.

Nakayama's proposed U.S. trip reflects his wish to see Baker face to face at an early occasion even if the security talks are postponed, the sources said. Nakayama also said he would like to visit the Soviet Union prior to the Diet's resumption to prepare for President Mikhail Gorbachev's scheduled visit to Japan in April. He said he hopes to make Gorbachev's trip an opportunity for a breakthrough in the negotiations on Japan's claim to a group of four islands occupied by Soviet troops since the end of World War II.

Bush Visit Could Be 'Casualty' of Gulf Crisis

OW0501125991 Tokyo KYODO in English 1142 GMT 5 Jan 90

[Text] Tokyo, Jan. 5 (KYODO)—U.S. President George Bush's plans to visit Japan could become yet another unexpected casualty of the five-month Persian Gulf crisis. The Japanese Government had hoped for a Bush trip in early February, but Washington has postponed the visit.

With the January 15 deadline for Iraq to pull out of Kuwait or be forced out by the U.S.-dominant multinational forces fast approaching, ministerial-level security talks between the United States and Japan have also been put on hold. Bush's Japan trip could conceivably be canceled altogether in the event of war, one senior Foreign Ministry official said.

Japanese Foreign Minister Taro Nakayama said Saturday he will go to the United States before January 25 to try to set a date for Bush's visit. Nakayama told NHK Television earlier in the day that talks are under way to invite Bush to Japan in March. Nakayama said his talks with U.S. Secretary of State James Baker will also cover a wide range of bilateral topics, including the U.S. demand that Japan shoulder a larger burden in maintaining the 50,000 U.S. troops stationed in Japan.

In a New York summit last September, Japanese Prime Minister Toshiki Kaifu invited Bush to visit Japan at an early time in 1991. Bush accepted the offer at that time, Japanese officials said.

The Japanese Government initially hoped for a Bush trip in early February, but Washington informed Tokyo in December that the president would have to postpone his visit. At the same time, the U.S. Government said it was postponing a so-called "Two Plus Two" session by the ministers of foreign affairs and defense, originally set for January 8-9 in Washington. The proposed meeting was to be attended by Nakayama and Baker, Defense Agency Chief Yukihiko Ikeda and U.S. Secretary of Defense Dick Cheney.

The Japanese Government has looked to a Bush visit as a good chance to discuss bilateral issues and confirm the Tokyo-Washington relationship before Soviet President Mikhail Gorbachev's scheduled visit to Japan in mid-April.

Japan now hopes Bush will make his Tokyo trip in mid-February after the U.S.-Soviet summit in Moscow on February 11-13, or in early March, government sources said. But world problems demanding Bush's attention, especially the Gulf crisis and the Uruguay Round of multilateral trade talks, set to reopen January 15, may leave him little time for travel to Japan.

Japan's reluctance to open its rice market—which U.S. officials call partly responsible for the lack of agreement in the Uruguay Round talks so far—could also be linked to the delay in arranging the Presidential visit, Japanese Government sources said.

U.S. Trade Representative Carla Hills said in Washington on Friday, however, that she would not expect Bush "to address a component but rather a broad vision of the need to open up the global trading system" when he visits Japan. Be that as it may, local elections approaching in April mean that most Japanese politicians are unlikely to change their stands on the politically charged rice issue before then.

Interview Held With U.S. Trade Representative

OW0501050691 Tokyo KYODO in English 0026 GMT 5 Jan 91

[By Shiro Yoneyama]

[Text] Washington, Jan. 4 KYODO—U.S. Trade Representative Carla Hills called on Japan on Friday to negotiate the opening of its rice market based on a compromise farm proposal it rejected nearly a month ago.

She said in an interview that Japan was partly responsible for the failure of a concluding ministerial meeting on the four-year Uruguay Round of multilateral trade talks in Brussels in early December.

"I was very disappointed in Japan," Hills said. "I cannot believe that Japan with all of its wealth can ask the world at large to buy its cars and electronics and to keep the market open to the exports that it has, and that it refused to talk and even negotiate about a 3 percent opening in agriculture. "It's a very big disappointment," Hills said in an interview with Japanese wire service reporters.

Japan, South Korea and the 12-nation European Community rejected the compromise farm liberalization proposal presented by Swedish Agriculture Minister Mats Hellstrom at the Brussels ministerial meeting on the Uruguay Round of multilateral trade talks.

The Hellstrom proposal addresses three major components of global farm reform—reductions in "trade-distorting" export subsidies and internal support and market access barriers. Specifically, the proposal calls for a minimum access of 3 percent to foreign markets in widely traded commodities. Hills said that Japan's Foreign Minister Taro Nakayama "quite specifically" told her in Brussels that then Agriculture Minister Tomio Yamamoto "had been misunderstood" about the Japanese position on the Hellstrom paper.

If Yamamoto had not intended to reject the proposal, she said in the interview, "then Japan should announce its willingness to negotiate from the Hellstrom proposal and correct the misunderstanding that was reported to me." "Remember, it was Japan who spoke first in Brussels against the framework, the Hellstrom proposal," Hills said. "Many speculated that if Japan had kept silent, the discussions would not have terminated."

Hills said that even a month after that fateful meeting, "I have certainly not heard of any flexibility on the side of Japan and none from the EC" on agriculture. Hills said the U.S. expects Japan to demonstrate its willingness to renew its commitment to an open trading system.

"I am less interested in understanding a past misunderstanding by the agriculture minister than having a future declaration of the Japanese position, which I believe should be one of leadership and vision, and to adopt a support for the only framework we have to negotiate in agriculture," she said.

The chief U.S. trade negotiator also said the Hellstrom proposal is "a key to the success in the round."

Hill said she does not anticipate another of the ministerial meetings to conclude the four-year-old Uruguay Round which have been held under the auspices of the General Agreement on Tariffs and Trade (GATT).

"I see no use to have a ministerial meeting or any meeting until nations of the world—read Japan and Europe—muster the political will to deal with the issues that must be dealt with to get the negotiations going," she added.

During the interview in her second floor office, Hills repeatedly underlined Japan's responsibility as a major industrial democracy.

"If we are going to have an open trading system, Japan is going to have to contribute to maintaining and expanding it," she argued.

"I think Japan is conscious of the security implications of an open trading system.

"We have a number of fledgling democracies in Eastern Europe and in Latin America and it is a fact that several of those countries rely on agriculture as a means for their economic growth," Hills said.

"Japan should understand that global stability hinges on open markets because only in that way will some countries be able to discharge their debt and participate in the trading system that creates wealth."

Asked about possible trade issues that President George Bush may take up during his trip to Japan earlier this year, Hills predicted, "I would not expect our President to address a component but rather a broad vision of the need to open up the global trading system, which of course will take leadership from a country like Japan."

"You can't be a free rider if you are a leader," she added.

Hills said she sees no chances for the U.S. Congress to grant an extension of so-called "fast track" authority beyond March 1.

That authority stipulates that Congress will approve or disapprove a proposed Uruguay Round agreement by barring legislators from attaching amendments to it.

Relating a series of recent meetings with senators and House members, Hills said, "The answer would be we are not going to extend for nothing."

She insisted that there has to be some tangible market liberalization in the new areas of services, investment and intellectual property protection if the Bush administration is to win domestic industry support for an extension of that authority.

Hills warned that she will pursue rice and other trade issues with Japan and other countries "in bilateral context" if the Uruguay Round talks remain stalemated.

Such a course will be "unfortunate for both of us," she added.

"The global trading system is at stake here," Hills said. "And the U.S. is not only interested in rice, we are also interested in getting markets open."

On the U.S.-Japan semiconductor agreement which expires in July, she promised a review "he approprirate moment before July."

As for Japan's voluntary restraint agreement [VRA] on auto exports to the U.S. market, Hills said in the interview, "We do not in this administration believe in having VRAs over autos or anything else other than steel, which is being phased out."

Kaifu's Trip to Philippines 'May Be Preempted'

OW0401152091 Tokyo KYODO in English 1509 GMT 4 Jan 91

[Text] Manila, Jan. 4 KYODO—Japanese Prime Minister Toshiki Kaifu's upcoming visit to the Philippines may be preempted by the outbreak of war in the Persian Gulf, the Japanese ambassador to the Philippines indicated Friday.

Ambassador Toshio Goto told reporters that although Kaifu had planned to visit Manila in the middle of January, "I don't know...I can say I'm not in a position to answer your question as to whether the prime minister will still push through with the planned visit if war breaks out" in the Gulf.

He was interviewed by reporters after meeting with Philippine President Corazon Aquino at the Malacanang presidential palace.

Goto said he met with Aquino to thank her for the preparations being made by Philippine officials for Kaifu's visit, and for the summit meeting to take place between her and Kaifu.

Presidential Spokesman Adolf Ascuna said Aquino is expected to discuss with Kaifu the next pledging session for the Philippine Assistance Program (PAP) launched in Tokyo in June 1989.

"I think we are ready to continue this (PAP) fundamentally to consolidate democracy and for the rehabilitation of your economy," Goto said.

Goto said the summit meeting will cover a wide range of international points of interest, specially issues affecting the association of Southeast Asian nations, and the Pacific region.

The ambassador added that he was not sure whether Kaifu could make concrete commitments regarding the 17th yen loan package to the Philippines.

Kaifu is scheduled to visit Manila January 16 to 18 as part of a trip to Southeast Asia.

Kaifu Promises Further Efforts on Koreans' Status

OW0701054391 Tokyo KYODO in English 0514 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Prime Minister Toshiki Kaifu told South Korean Ambassador to Japan Yi Wonkyong on Monday that he will make further efforts to improve the legal status of Korean residents of Japan, government officials said. Yi called on Kaifu at his official residence prior to the prime minister's official visit to Seoul on Wednesday and Thursday.

In the brief meeting, Yi expressed the hope that the legal status problem of third-generation Korean residents in Japan will be settled amicably. In response, Kaifu was quoted as saying that he will strive to find a solution to the problem satisfactory to both sides.

Japan and South Korea held working-level talks in Seoul on Saturday and Sunday to discuss the legal status of Korean residents in Japan, including compulsory fingerprinting, but failed to reach agreement. Officials from the two countries are scheduled to hold final consultations on Tuesday in a last-ditch effort to break the stalemate.

South Korea has asked Japan to stop fingerprinting of Korean residents, who account for 680,000 of the 980,000 foreign residents of Japan. All foreign residents in Japan aged 16 and over are fingerprinted as part of the alien registration process. The Japanese Government has agreed to exempt Korean residents from fingerprinting starting in 1993 by which time it plans to have developed a substitute registration process.

Kaifu also said that he expects his planned talks with South Korean President No Tae-u will produce a cooperative partnership between the two countries to help promote peace and stability in the Asia-Pacific region.

Referring to the bilateral trade imbalance, Yi called on Kaifu to make further efforts to promote technology transfers between the two countries' private sectors. Kaifu replied that while there is a limit to what the government can do to promote technology transfers at private levels, Tokyo will do what it can for the sake of prosperity in the Asia-Pacific region toward the 21st century, according to the officials.

No Agreement on Fingerprinting Issue With ROK

OW0601115991 Tokyo KYODO in English 1123 GMT 6 Jan 90

[Text] Seoul, Jan. 6 (KYODO)—Japan and South Korea failed to agree here Sunday on when Japan should stop fingerprinting its Korean residents for identification.

The two countries held two days of working-level talks at a Seoul hotel to discuss the legal status of Korean residents in Japan before Japanese Prime Minister Toshiki Kaifu visits Seoul on Wednesday and Thursday. The meeting also failed to reach final agreement on removing barriers to Korean residents being hired as local government officials and schoolteachers.

Officials from the two sides will hold final consultations on Tuesday, the day before Kaifu's arrival in Seoul, in a bid to reach agreement, the Japanese officials said.

Fingerprinting, which Japan requires of all foreign residents from the age of 16, has been the focus of a campaign to combat discrimination against the Korean ethnic minority.

Japan plans to stop the practice of fingerprinting Korean residents as soon as an alternative method can be developed. Officials have said a family registry system similar to the one Japan now uses to keep track of its own citizens will be implemented in 1993.

In the talks over the weekend, South Korea called for an early end to fingerprinting but Japan insisted that it will take much time to revise related laws and allow local governments to prepare for the change.

Nakayama, ROK Envoy Discuss Expanded Contacts

OW0501053291 Tokyo KYODO in English 0451 GMT 5 Jan 91

[Text] Tokyo, Jan. 5 KYODO—Foreign Minister Taro Nakayama and South Korean Ambassador to Japan Yi Won-kyong agreed Saturday to increase contact between foreign ministers as part of efforts to expand bilateral ties.

A Foreign Ministry offficial said Yi made the proposal in a meeting with Nakayama at the Foreign Ministry and Nakayama accepted the idea. Yi was calling on Nakayama to congratulate him on being renamed foreign minister in the cabinet reshuffle last week.

The foreign ministers of Japan and South Korea usually meet twice a year, at annual foreign minister consultations and during the regular session of the United Nations General Assembly.

Nakayama will be meeting with South Korean Foreign Minister Yi Sang-oc, in Seoul when he accompanies Prime Minister Toshiki Kaifu in his trip to South Korea Wednesday and Thursday.

It will be Nakayama's first encounter with Yi, the former South Korean ambassador to Switzerland who replaced Choe Ho-chung as foreign minister December 27.

Nakayama told the South Korean ambassador that he plans to take the occasion to "exchange views fully" with Yi ahead of formal negotiations between Japan and North Korea on normalizing bilateral ties. Those talks are scheduled to open in Pyongyang later this month.

South Korea has urged Japan to act cautiously in the talks with the North, wary that they could jeopardize the South drive to bring the two Koreas together.

Touching on Kaifu's trip to Seoul, Nakayama stressed that he hopes the visit will further strengthen Japan's ties with South Korea. According a South Korean newspaper report Thursday, Yi Won-kyong is expected to be replaced shortly as ambassador to Tokyo by the South Korean ambassador to Britain, O Chae-hui.

ROK Group Protests Kaifu's 9-10 Jan Visit

OW0501212891 Tokyo KYODO in English 1246 GMT 5 Jan 91

[Text] Seoul, Jan. 5 KYODO—A group of South Koreans whose relatives died in the independence movement against Japan's 1910-1945 colonial rule of the Korean peninsula announced their opposition Saturday to Japanese Prime Minister Toshiki Kaifu's upcoming visit to their country.

The group objects to Kaifu's January 9-10 visit to Seoul because Japan has yet to guarantee the legal status of Korean residents of Japan or to pay compensation to South Korean vicitims of the atomic bombings of Hiroshima and Nagasaki in 1945, it said in a statement.

South Korea has asked Japan to stop requiring that foreign residents be fingerprinted as a means of identification. Koreans account for 680,000 of the 980,000 foreign residents of Japan. Kaifu will reportedly tell President No Tae-u that Japan will abolish the fingerprinting requirement in 1993.

There were an estimated 70,000 to 100,000 Koreans in Hiroshima and Nagasaki at the time of the bombings, many of them taken there for forced labor. Some 40,000 to 50,000 are believed to have been killed. Between 23,000 and 33,000 of the survivors returned to Korea after the war, and some 10,000 are believed to be living in South Korea today. As of 1983, there were around 7,000 Korean survivors of the bombings still alive in Japan.

Groups of Christians and families who lost their relatives during the Pacific war are also planning rallies early next week to protest Kaifu's visit.

Farm Minister To Continue Stance on Rice Imports

OW0501090591 Tokyo KYODO in English 0759 GMT 5 Jan 90

[Text] Tokyo, Jan. 5 (KYODO)—Japan's Farm Minister Motoji Kondo said Saturday that he will continue to explain Japan's stance on restricting rice imports.

"I will continue to persuade our position stronger than ever," he said in a television interview on NHK, the national broadcasting corporation.

Kondo, the agriculture, forestry and fisheries minister, added that although there are discussions extant on a minimum import quota, the talks are still only taking place among countries that wish to export rice. He added, however, that Japan will have to make some kind of decision on rice before the end of the Uruguay Round of multilateral trade talks which resume January 15.

Japan has rejected importation of rice by saying that its self-sufficiency is essential to national security.

Finance Official Says G-7 Meeting Likely in Jan

OW0701142991 Tokyo KYODO in English 1232 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—A meeting of finance ministers and central bank governors of the Group of Seven (G-7) major industrial nations is likely to be held sometime between January 19 and 21 in New York, a top Finance Ministry official said Monday.

Germany says January 18 is inconvenient and the United States says January 22 and 23 are too inconvenient and the G-7 countries are now adjusting the schedule of the meeting, said the official who asked for anonymity.

He said the next G-7 meeting will be a "tough one" for Japan as discussions are likely to focus on cooperation for the settlement of the Middle East crisis as well as assistance for the reconstruction of Soviet economy.

Regarding the Persian Gulf, Germany appears to have decided on sending troops to the region, while only Japan has not made such a move among major industrial nations, he said.

In addition, Japan, with a relatively slow inflation, will face a "tough time" if it is asked to take on greater responsibilities as a country with a current account surplus, the official said.

Japan may be asked to make new contributions to solving the Middle East crisis and a cut in domestic interest rates, he said.

As for economic assistance to the Soviet Union, the official also predict difficulties for Japan.

Britain under the Margaret Thatcher government was cool about offering assistance to the Soviets, but may change its attitude, and as Japan has "no card" to deal, it could be isolated at the G-7 meeting, he said.

Japan says it cannot extend financial assistance to the Soviet Union until a bilateral dispute over four islands off Hokkaido, held by the Soviets since the end of World War II, is settled.

Auto Sales 'Losing Steam' Amid Weaker Demand

OW0701090491 Tokyo KYODO in English 0812 GMT 7 Jan 91

[Text] Tokyo, Jan. 7 KYODO—Japan's auto sales are losing steam as higher interest rates and uncertainty about the economic outlook conspired to put a brake on healthy domestic demand, an industry association said Monday.

The Japan Automobile Dealers Association said Japan's auto sales fell 2.0 percent from a year earlier to 463,221 vehicles in December for the second consecutive monthly decline.

The December sales brought the number of auto sales for the whole of 1990 to a record 5,975,089 vehicles, up 7.4 percent from 1989 but below the targeted 6 million vehicles.

Analysts said higher interest rates, the lack of parking space, and lingering uncertainty about the economic future are damaging the auto market, which has been enjoying rapid growth amid buoyant domestic demand over the past few years.

Some expected the new year to see lower auto sales than 1990, though major automakers are still upbeat about business prospects.

Toyota Motor Corp. expects auto sales to reach 6.1 million vehicles in 1991, while Nissan Motor Co. predicts 6.03 million.

In December, passenger car sales dropped 3.3 percent to 338,468 vehicles, the fourth straight monthly fall.

Reflecting the increasing taste for luxury among consumers, sales of cars with an engine size of more than 2000 cc totaled 50,257 vehicles, a 49.1 percent leap, while those with less powerful engines (600-2000 cc) were down 8.8 percent to 288,211.

Sales of trucks rose 1.6 percent to 123,042, while bus sales increased 8.4 percent to 1,711.

Toyota grabbed the largest chunk of the market in the month, selling 181,540 vehicles, down 3.2 percent, followed by Nissan, whose sales fell 4.8 percent to 96,286.

For all of 1990, passenger car sales rose 7.4 percent to a record 4,306,711 vehicles.

In this category, cars over 2000 cc did especially well, posting a 69.1 percent increase to a record 467,490 vehicles.

Sales of trucks increased 7.6 percent to 1,643,453, while bus sales rose 5.9 percent to 24,925.

Toyota topped the list with sales of 2,504,217 vehicles, up 8.5 percent, taking 41.9 percent of the market, followed by Nissan, with 1,403,894, and Mazda Motor Corp., with 503,085.

Mongolia

Democratic Party Extraordinary Session Begins

LD0601071291 Moscow Domestic Service in Russian 0400 GMT 6 Jan 91

[Text] An extraordinary session of the Mongolian Democratic Party has started. Taking part in it are 800 delegates. In the course of two days, they will introduce amendments to the rules and confirm the party's new platform. The speakers stressed that the times demand the working out of an alternative economic program.

Chairman Denounces Marxism-Leninism

LD0501205291 Berlin ADN in German 1720 GMT 5 Jan 91

[Text] Ulaanbaatar (ADN)—The chairman of the Mongolian Democratic Party (MDP) (Erdahyn bat-uul), has called for a rejection of the communist ideology in Mongolia. In his speech at the extraordinary party congress which opened in Ulaanbaatar today, he declared that if people really wanted fundamental changes and a market ecoomy in the country, they would have to turn away from Marxism-Leninism. The MDP needs to elaborate an economic program that represents an alternative to the government's economic policy.

In their two-day session, the 800 delegates to the congress will adopt a new party statute. The first MDP party congress took place nearly one year ago and was practically the beginning of the multiparty system in Mongolia. Since then, membership of the party has increased from 20 to more than 12,000.

North Korea

KCNA Views New Status of Forces Agreement

SK0501105291 Pyongyang KCNA in English 1026 GMT 5 Jan 91

["False 'Agreement' Rigged Up Between Master and Servant"—KCNA headline]

[Text] Pyongyang January 5 (KCNA)—A revised "Status of Forces Agreement" on the U.S. imperialist aggression troops occupying South Korea was signed by the U.S. Ambassador in Seoul, Gregg, and the puppet minister of foreign affairs on January 4, according to a radio report from Seoul.

This is nothing but a false paper fabricated between master and servant.

The "agreement" stipulates that the criminal jurisdiction of the puppet government which had been confined to such crimes as murder, robbery and rape by U.S. soldiers has been "expanded" to all the crimes committed by Americans and that the South Korean side has the "primary right to investigation" into the crimes of Americans and is to take over criminal suspects.

This is an artifice to deceive the people.

It is a common knowledge that the South Korean authorities, far from exercising jurisdiction over crimes of U.S. soldiers inflicting misfortunes and sufferings upon fellow countrymen, have transferred the criminals to the U.S. forces side without a murmur. It is the height of folly to say that the jurisdiction of the South Korean authorities has been "expanded."

Worse still, conditions are laid down to allow the U.S. side to put pressure upon the South Korean authorities on various pretexts. To cite a few examples, the U.S. side can "request" the South Korean side to abandon its jurisdiction and, in case the South Korean authorities request the U.S. side to deliver criminal suspects, the latter is obliged to respond when there is no "unavoidable reason".

And they say a consensus was reached on a "special agreement" on the 53 million dollars of personnel expenses for the Korean working men hired at the U.S. army units out of the South Korean authorities' share of the expenses for the maintenance of the U.S. forces.

The "agreements" fabricated between master and servant are, by nature, all aimed at legalising their relations of domination and subjugation and the same applies to the revised "Status of Forces Agreement" on the U.S. forces occupying South Korea.

Ho Tam Supports Kim's Reunification Proposal

SK0401124591 Pyongyang KCNA in English 1021 GMT 4 Jan 90

[Text] Pyongyang January 4 (KCNA)—I fully hail and support the new proposal for national reunification put forward by the respected leader President Kim Il-song in his New Year address, convinced that it is a most reasonable measure which makes it possible to open an epochal phase in making the 1990s a historical decade of national reunification.

Ho Tam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and chairman of the Committee for the Peaceful Reunification of the Fatherland, said this in a statement issued to the press on January 4 supporting the new proposal for national reunification expounded by the great leader President Kim Il-song in his New Year address.

He said:

The great leader noted that a most pressing question in hastening national reunification is to ensure peace on the Korean peninsula and create peaceful preconditions for the reunification of the country above all.

The principled stand clarified by the great leader in the New Year address that a pressing question of peace should be solved before anything else and, at the same time, the humanitarian questions of travel and exchange be settled is the best way of resolving all the pending issues between the North and the South at present in a most reasonable and fair manner.

Particularly the adoption of the nonaggression declaration at the present juncture is a starting-point and an urgent task in removing distrust and confrontation between the North and the South and in opening up a new phase for peace and peaceful reunification.

The great leader said in the New Year address that an important matter in hand in hastening national reunification is to decide how the country should be reunified at present, and clarified the great principle of the way of reunifying the country.

The reunification by means of confederation based on one nation, one state, two systems and two governments is the great principle of the only one just method of national reunification suitable to the specific reality of our country.

In the New Year address the great leader not only reaffirmed that the proposal for founding a democratic confederal republic of Koryo based on the great principle of the method of national reunification is the most reasonable and realistic way of reunifying the country, but also clarified that if it is still difficult for South Korea to accept our proposal of the reunification by means of confederation, we are ready to consult the matter of gradually and completely effecting reunification through confederation by vesting the regional autonomous governments of the confederal republic with more rights on a tentative basis and then increasing the functions of the central government in the future.

As the great leader stated, with a view to reaching a nationwide agreement on the method of national reunification, it is imperative to convene a political consultative conference for national reunification as soon as possible in which the authorities, and representatives of political parties and organisations of the North and the South sit together to decide upon the way of national reunification.

In the new year address the great leader said that in order to quicken national reunification, a great unity of the whole nation must be realised and that for great national unity, the political forces of all political parties, groupings and the people of all walks of life who desire national reunification should not discriminate between ruling parties, opposition parties and those out of office, nor deal with the minority differently from the majority, nor take issue with people about the difference in their political views and past faults but support and unite one another and develop a nationwide movement for peace and reunification.

This is a quite reasonable policy as it tallies with the nationwide nature of national reunification and reflects the urgent demand for strengthening the driving force of national reunification, Ho Tam said, and continued: For the reunification of the country we will meet men of the ruling party as well as men of opposition parties and individuals out of office in South Korea irrespective of the forms of dialogue, whether it is bilateral or multilateral, and keep the door of dialogue for reunification wide open for everyone.

Reunification Committee Member Issues Statement

SK0701063091 Pyongyang KCNA in English 0535 GMT 7 Jan 91

[Text] Pyongyang January 7 (KCNA)—Yom Tae-chun, presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland, in a statement issued to the press January 6 strongly demanded that not only dialogues between authorities be promoted and the talks between the non-governmental people be developed but also a political consultative conference for national reunification be convened as soon as possible in which the authorities and representatives of political parties and organizations of the North and the South sit together to decide upon the way of national reunification.

Noting that the new proposal for national reunification advanced by the great leader President Kim Il-song in his new year address for 1991 is a most reasonable and just proposal for national reunification correctly reflecting the will and the desire of the whole nation, the actual conditions of our country and practical possibility and a firm guarantee for the accomplishment of the cause of national reunification, he hailed and fully supported it.

National reunification, being the independent cause of our nation which nobody can carry out in our stead, demands the unity of the nation, he stressed, adding:

For the great national unity, all people in the North and the South, proceeding from a single heart for patriotism, should not discriminate between ruling parties, opposition parties and those out of office, nor deal with the minority differently from the majority, nor take issue with people about the difference in their political views and past faults, refraining from distrust and prejudice against the other party.

A matter of special importance today in realizing great national unity is that the statesmen of the North and the South make mutual contacts, have dialogues and deepen their trust.

The South Korean authorities must discard such a narrow-minded, self-righteous attitude as preventing even the talks between non- governmental people while neglecting to promote the North-South high-level talks; they must abolish the "National Security Law" and other anti-reunification evil laws, immediately and unconditionally release patriotic figures of reunification including woman student Yim Su-kyong, Father Mun Kyu-hyon, Yu Won-ho, Yi Hae-hak, Cho Yong-sul and Cho Song-u who have been arrested and imprisoned on the charge of visiting the North or of meeting us to discuss the matter of reunification abroad, and provide all the South Korean people with equal rights to contact and talk with the North freely.

He expressed the conviction that all Koreans in the North and South and abroad, who love the country and the nation and want reunification will shatter the "two Koreas" plot of the splittists within and without and unanimously turn out in the noble struggle for national reunification through the foundation of the democratic confederal republic of Koryo, thus actively contributing to making the 1990s the decade of reunification.

South Cabinet's Remarks on Reunification Viewed

SK0101115791 Pyongyang Domestic Service in Korean 1148 GMT 29 Dec 90

[Commentary by Kim Kyong-pok: "Antireunification Cabinet Which Has Exposed Its True Colors"]

[Text] Upon wearing their hats, those fellows who were appointed to puppet prime minister and deputy prime minister and other posts in traitor No Tae-u's cabinet reshuffling game made divisionist, absurd remarks. According to reports, during his so-called inauguration speech delivered on 27 December, the acting puppet prime minister implicitly expressed his intention to give priority to exchanges and cooperation in promoting North-South relations. During his 27 December so-called news conference, Choe Ho-chung, puppet deputy prime minister and minister of the National Unification Board, babbled that economic, cultural, and sports exchanges must be facilitated before political and military trust be promoted. This exposes their divisionist intent and is an unforgivable statement that challenges the people's aspirations for reunification. As everyone knows, in our country, which has remained divided by outside forces for almost half a century, political and military confrontation is a major source of mistrust between the North and South. Anticommunist confrontational commotions are viciously being kicked up in South Korea. Those who demand reunification are being arrested, detained, and punished. As a result, political and military confrontation has become extremely acute. Moreover, the U.S. imperialists and the puppets have deployed approximately 1,000 nuclear weapons and conduct the provocative "Team Spirit" joint military exercise every year, thus taking the Korean peninsula to the brink of war. Therefore, removing the danger of war and ending political and military confrontation is a very acute issue in improving North-South relations.

Political and military confrontation must first be ended if trust is to be promoted between the North and South and if exchanges and cooperation are to be facilitated smoothly. Under circumstances in which the sides do not trust each other, in which they level guns at each other, and in which the danger of fratricidal war hovers, even if exchanges are facilitated, no success can occur. This is a lesson from the North-South dialogue of the past era. This is why, in the North-South High-Level Talks, we presented the issue of ending political and military confrontation as a fundamental issue. We proposed adopting a declaration on North-South nonaggression and reconciliation and cooperation. Nevertheless, after laying aside the issue of ending political and military confrontation, the puppets proposed facilitating the so-called exchanges and cooperation. This shows that they have no intention of achieving reunification. Also, this is nothing but an act designed to do some business with the North and indefinitely stall for time, thus perpetuating division. The puppets meddled in the soccer game for reunification and even the year-end traditional music festival for reunification, a purely civilian-level exchange. They slandered our system and frantically conducted anticommunist propaganda. The puppets of this sort are not in a position to babble about exchanges and cooperation.

The puppet deputy prime minister and minister of the National Unification Board babbled then that so-called international understanding and support are important for reunification. This is also a shameless statement. Reunification is the nation's internal issue, and the people are main forces for reunification. Even though international support is necessary for resolving the reunification issue, the popular masses must be the main forces for reunification and must be in charge of reunification. Even while suppressing people for discussing reunification, he is trying to do something with the backing of outside forces. This is a toadyist expression, a treacherous idea devoid of independence. Moreover, this fellow is a vicious divisionist who, when serving as puppet foreign minister, took the initiative to kick up maneuvers to carry out the divisionist northern policy and to realize South Korea's sole admission into the United Nations. A man of this nature talked about so-called international support. He did so to win international recognition for the division of the country and to justify the fabrication of two Koreas. All the facts clearly show that the puppet South Korean administration is clearly a divisionist and antireunification cabinet formed to support the U.S. imperialists' two Koreas policy.

The puppets will more viciously maneuver to build an obstacle to North-South dialogue and to perpetuate division. However, the puppets' divisionist maneuvers will fail. Achieving reunification in the nineties is the firm will of the fellow countrymen, and the powerful march of the nation toward reunification is unstoppable. All the Korean people in the North and South and abroad will achieve the historic cause of reunifying the fatherland without fail after resolutely frustrating the maneuvers by the divisionists at home and abroad to fabricate two Koreas.

NODONG SINMUN Denounces No Tae-u Address

SK0401085891 Pyongyang KCNA in English 0433 GMT 4 Jan 91

["Dictator's Shameful Jargon on New Year"—KCNA headline]

[Text] Pyongyang January 4 (KCNA)—NODONG SINMUN in a commentary today brands No Tae-u's "New Year address" as an extremely shameful jargon aimed at justifying his clique's line of fascism, treachery, confrontation and division and defusing the crisis of their military fascist rule.

The news analyst says:

Blaring that "the period of tremor for democracy has now come to a close" in South Korea, the puppet jabbered that "the settlement of democracy would be developed." This is a sheer distortion of facts and an elusion of the reality.

In South Korea today "democracy" is not "developing," but the military fascist dictatorial politics is on the rampage.

If there were any "settlement" in South Korea over the past three years since No seized power through violence, fraud and swindle after putting up the deceptive signboard of "commitments to democracy," it is the fascist "security- oriented politics" more truculent than the preceding one, the rule of darkness through the "three-party merger," all social evils and corruption.

No's advertisement about "settlement of democracy" and its "development" is, in the final analysis, nothing but a revelation of his attempts to conceal his treacherous criminal acts in reducing South Korea to a wasteland of democracy and civil rights, lay the blame for political confusion and crisis at the door of the motive forces of reunification and democracy and brutally suppress them on the pretext of "maintenance of order."

All the more ridiculous is the fact that in his "New Year address" No underlined the need "to shorten the road to Pyongyang" by "inducing" the North to "opening" and "reforms" in the midst of "changes in the international situation," while failing to mention even a word about how to promote "relations between the North and South" and "reunification."

This reveals once again his sycophant nature and separatist attempts to realize a dream of "amalgamation through absorption, unification by prevailing over communism" with the backing of outside forces under the baton of the United States.

No's preposterous and deceptive jargon will bump into stronger resistance of the South Korean people who fight for independence, democracy and reunification, and it will only result in precipitating the miserable destruction of the dictatorial "regime" of the "Democratic Liberal Party."

Daily Outlines Reunification Preconditions

SK0501115491 Pyongyang KCNA in English 0958 GMT 5 Jan 91

["Peaceful Preconditions for National Reunification Must Be Created"—KCNA headline]

[Text] Pyongyang January 5 (KCNA)—NODONG SINMUN today comes out with a bylined article titled "Peaceful Preconditions for National Reunification Must Be Created", which says in part:

The great leader Comrade Kim Il-song taught:

"A pressing question in hastening national reunification is to ensure peace on the Korean peninsula and create peaceful preconditions for the reunification of the country."

To create peaceful preconditions for national reunification is a process for the peaceful solution of the question of national reunification by means of dialogue and negotiation.

Our party and the government of the republic have always attached prime importance to the question of peace on the Korean peninsula and have been making every sincere effort for its settlement.

In particular, at the North-South High-Level Talks last year we put forward important proposals for the practical removal of military confrontation including the adoption of a nonaggression declaration between the North and the South for the settlement of the question of peace in keeping with the growing desire of the whole nation for reunification.

However, the United States and the South Korean authorities put spurs on adventurous war exercises and arms buildup against us behind the curtain of North-South dialogue last year and thus led the situation on the Korean peninsula to the brink of war.

For ensuring peace on the Korean peninsula and creating peaceful preconditions for national reunification, it is imperative, first of all, to adopt a nonaggression declaration between the North and the South at an early date.

The adoption of the nonaggression declaration is a starting-point in removing distrust and confrontation between the North and the South and in opening up a new phase for peace and peaceful reunification.

The nonaggression declaration was called for by the South Korean authorities themselves even on international arena a long time ago. So there is neither pretext nor ground for them to oppose it.

The South Korean authorities must not merely talk about "confidence building" but respond to adopting the nonaggression declaration without hesitation and discontinue the "Team Spirit" joint military exercises.

The United States, which is directly responsible for the question of peace on the Korean peninsula, must conclude a peace agreement with us and withdraw its aggression troops and nuclear weapons from South Korea at once.

Whether the question of ensuring peace on the Korean peninsula and creating peaceful preconditions for national reunification is solved in accordance with the demand and desire of our people or not depends on how the United States and the South Korean authorities approach our proposal.

The United States and the South Korean authorities should look squarely at the unanimous desire of our nation for reunification and renounce their dangerous stance of confrontation and war policy reflecting the stand of strength.

If they further aggravate the situation this year, too, turning away their faces from our efforts for peace, they will be sternly condemned and rejected by the whole nation who eagerly desire peace and reunification.

South Sources Opposing Gulf Policy Noted

SK0701044091 Pyongyang KCNA in English 0402 GMT 7 Jan 91

[Text] Pyongyang January 7 (KCNA)—The No Tae-u ruling group at an "emergency meeting of relevant ministers" on the Gulf situation on January 5 discussed the issue of dispatching the puppet army to the Gulf region and decided to send the first batch of a 100 odd-member "military medical team", according to a YONHAP report from Seoul.

This shows that the South Korean authorities are openly getting involved in the aggressive moves the U.S. imperialists are stepping up in the Gulf despite strong public accusations.

It goes without saying that the dispatch of the "military medical team" is a prelude to the dispatch of puppet army combatant troops.

The South Korean opposition parties strongly protested this criminal decision of the authorities.

In a commentary released that day, a spokesman of the Party for Peace and Democracy declared that it takes an absolute exception to the dispatch of the "military medical team" because it is highly probable that it might expand into a dispatch of combatants.

A deputy spokesman for the Democratic Party in a commentary on January 5 opposed the criminal decision of the authorities, warning that a lesson should be drawn from the fact that the past troop dispatch to South Vietnam began by the sending of "medical teams".

In a commentary, a spokesman for the Popular Party referred to the dispatch of the "military medical team" as yielding to the U.S. pressure, and strongly demanded the cancellation of this decision.

Handbills 'Revering' Kim Il-song Appear in South

SK0501052791 Pyongyang KCNA in English 0417 GMT 5 Jan 91

[Text] Pyongyang January 5 (KCNA)—Many copies of handbills revering the great leader President Kim Il-song and dear Comrade Kim Chong-il were scattered in Masan and Kwangju, South Korea, on the occasion of the new year, radio Voice of National Salvation reported.

Hundreds of copies of handbills in the name of the Patriotic Youth Society for Reunification which were scattered in Masan read:

"Deep bow of best wishes for longevity to President Kim Il-song, a hero of mankind and the centripetal core of reunification, and to leader Kim Chong-il, the sun of guidance and symbol of hope."

"Let us go to the tender paternal bosom of President Kim Il-song and leader Kim Chon-il !"

"Long live the democratic confederal republic of Koryo proposed by President Kim Il-song for reunification !"

"Compatriots, dear fellow countrymen,

Let those who have strength donate strength, those with knowledge donate knowledge and those with wisdom donate wisdom to the sacred cause of reunification !"

The handbills scattered in Kwangju in the name of the chuche philosophy study society read:

"One million students,

Chuche is vital to the nation and fellow countrymen. Let us become faithful servants of chuche who uphold the chuche idea of Kim Il-song."

"Kim Il-song—the leader of reunification, reunification—victory, chuche—our life and soul."

"Let us implement President Kim Il-song's reunification programme and make 1995 the year of national reunification."

"Fellow countrymen, compatriots,

Be proud of Kim Il-song, the sun of the nation, and Kim Chong-il, the lodestar of reunification."

KCNA Reviews 7 Jan NODONG SINMUN

SK0701052491 Pyongyang KCNA in English 0421 GMT 7 Jan 91

[Text] Pyongyang January 7 (KCNA)—NODONG SINMUN today carries news that the new year address of the great leader President Kim Il-song was reported in foreign countries.

Immortal classical works of President Kim Il-song have been studied and disseminated in India, says the paper.

Given in the paper is an account of meetings of working people held in North Pyongan and Chagang Provinces to carry through the tasks set forth by President Kim Il-song in his new year address.

Under the title "Comrade Kim Il-song Is the Greatest and Outstanding Leader of the Present Time" the paper carries words of foreigners highly praising his immortal feats and noble virtues.

Appearing in the paper are reports that works of Dear Comrade Kim Chong-il have been reported and studied abroad.

The paper editorially calls for thoroughly implementing the Taean work system.

Econews of the paper includes reports about the innovative success in the production of mining equipment and the accelerated soil carpeting on co-op farms.

The paper comes out with a political essay headlined "Let Us Win Greater Victory in Singlehearted Unity". It says a great party which has struck deep roots among the popular masses, a great people who follow the party's leadership with a loyal heart and a man-centred socialism which embodies the chuche idea—these are precisely the basis of the solidness of socialism in our country and the source of great strength withstanding whatever storm and trial.

"It Is an Urgent Demand of Economic Development To Rapidly Develop the Leading Sectors" is the title of the article of the paper.

Carried in the paper is a statement issued to the press by Chong Sin-hyok, chairman of the C.C., the Chondoist Chongu Party, in support of the new proposal for national reunification in the new year address and an article captioned "Great Unity of the Nation Must Be Realised for National Reunification."

Commenting on the threat of the U.S. special trade representative that the United States would take an economic retaliation against South Korea, if it failed to fully open the market, the paper denounces this as a shameless and brigandish arbitrariness of the colonial ruler.

The paper carries articles exposing the corrupt and ailing South Korean society.

The Malagasy Youth Committee for the Release of Yim Su-kyong demanded the release of coed Yim, Father Mun Kyu-hyon and other visitors to the North, reports the paper.

The chairman of the United Centre of Workers of Venezuela said the Korean-style socialism is an excellent one, and an Austrian paper carried an article introducing Korea, says the daily.

It reports that the president of the State Council of Vietnam in his new year address called upon the whole party and the entire people to unite for the prosperity of the country, and presidents of African countries outlined new year's tasks.

The daily introduces achievements of Cuba in socialist construction and conveys a TASS report on the economic situation of the Soviet Union which is going from bad to worse.

The Palestinian people powerfully waged the struggle against Israeli aggressors last year, says the daily.

The daily in a commentary says that there is no change in the wild ambition of the U.S. ruling quarters to achieve nuclear supremacy, though Bush clamours about the "end of the cold war", "nuclear disarmament" and "detente".

Japanese Prime Minister Hopes for Stable Ties

SK0401085691 Pyongyang KCNA in English 0432 GMT 4 Jan 91

[Text] Pyongyang January 4 (KCNA)—Japanese Prime Minister Kaifu was reported to mention the Korea-Japan relations at the first press conference on the new year.

Repeated governmental negotiations with the DPRK resulted in a climate for full-fledged negotiation to begin late January, Kaifu said, adding: I will value this result and work for detente on the Korean peninsula.

He continued: I hope that the Japan-Korea relations will be stable friendly ones. Being a matter with a neighbouring nation, this is a strong desire of the Japanese people.

Kim Il-song Exchanges New Year Greetings

SK0201111791 Pyongyang Domestic Service in Korean 2108 GMT 31 Dec 90

[Text] The great leader Comrade Kim Il-song exchanged new year's cards with party and state leaders of various countries.

The great leader Comrade Kim Il-song, general secretary of the Workers' Party of Korea [WPK] and president of the DPRK, exchanged greetings cards with party and state leaders of various countries on the occasion of the new year 1991.

The party and state leaders with whom the great leader Comrade Kim Il-song exchanged New Year's cards are as follows:

Comrade Deng Xiaoping, former chairman of the CPC Central Military Commission; Comrade Jiang Zemin, general secretary of the CPC Central Committee; Comrade Yang Shangkun, president of the PRC; Comrade Li Peng, premier of PRC State Council; Comrade Wan Li, chairman of the Standing Committee of the National People's Congress; Comrade Chen Yun, chairman of the CPC Central Advisory Commission; Comrade Li Xiannian, chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC]; Comrade Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee and secretary of the party Central Discipline Inspection Commission; Comrade Yao Yilin, member of the Standing Committee of the Political Bureau of the CPC Central Committee and vice premier of the PRC

State Council; Comrade Song Ping, member of the Standing Committee of the Political Bureau of the CPC Central Committee; Comrade Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee and member of the Secretariat of the party Central Committee; Comrade Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal Committee; Comrade Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the PRC State Council; Comrade Wu Xueqian, member of the Political Bureau of the CPC Central Committee and vice premier of the PRC State Council; Comrade Wang Zhen, vice president of the PRC; Comrade Song Renqiong, vice chairman of the CPC Central Advisory Commission; Comrade Xi Zhongxun, vice chairman of the Standing Committee of the PRC National People's Congress; Comrade Peng Zhen, former chairman of the PRC National People's Congress; Comrade Deng Yingchao, former chairman of the National Committee of the CPPCC; Comrade Gorbachev, president of the Union of Soviet Socialist Republics and general secretary of the CPSU Central Committee; Comrade Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Council of State of the Republic of Cuba; Comrade Vo Chi Cong, chairman of the State Council of the Socialist Republic of Vietnam; Comrade Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania; Kaysone Phomvihan, general secretary of the Central Committee of the Lao People's Revolutionary Party and chairman of the Council of Ministers of the Lao People's Democratic Republic; Sultan Azlan Shah, Paramount Ruler of Malaysia; Punsalmaagiyn Ochirbat, president of the Mongolian People's Republic; Wee Kim Wee, president of the Republic of Singapore; Ghulan Ishaq Khan, president of the Islamic Republic of Pakistan; Suharto, president of the Republic of Indonesia; Yasir 'Araft, president of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization, and general commander of the Palestine Revolutionary Forces; Muhammad Husni Mubarak, president of Arab Republic of Egypt; Jerry John Rawlings, head of the Republic of Ghana and chairman of Provisional National Defense Council; Joao Bernardo Vieira, president of the Republic of Guinea-Bissau; Sam Nujoma, president of the Republic of Namibia; Ali Saibou, leader of the National Movement for the Developing Society and president of the Republic of Niger; Hastings Kamuzu Banda, president of the Republic of Malawi; Aneerood Jugnauth, prime minister of Mauritius; Joaquim Alberto Chissano, chairman of the Mozambique Liberation Front and president of the People's Republic of Mozambique; Major Pierre Buyoya, chairman of the Military Committee for National Salvation and president of the Republic of Burundi; Manuel Pinto da Costa, president of the Democratic Republic of Sao Tome and Principe; Obiang Nguema Mbasogo, president of the Republic of Equatorial Guinea and chairman and founder of the Democratic Party of Equatorial Guinea; Ali Hassan Mwinyi, president of United Republic of Tanzania and the Revolutionary Party of Tanzania; General Gnassingbe Eyadema, founder and chairman of the Rally of the Togolese People and president of the Republic of Togo; Jose Eduardo dos Santos, chairman of the Popular Liberation Movement of Angola-Party of Labor and president of the People's Republic of Angola; Yoweri Museveni, president of the Republic of Uganda; Hugh Desmond Hoyte, president of the Cooperative Republic of Guyana; Margrethe II, queen of the Kingdom of Denmark; Florizel Glasspole, governor general of Jamaica; Alberto Fujimori, president of the Republic of Peru; and Vigdis Finnbogadottir, president of the Republic of Iceland.

In addition, the great leader Comrade Kim Il-song exchanged New Year's greetings cards with Bhichai Rattakul, head of the Democrat Party of Thailand; (Indra Zeta Kuta), general secretary of the National Council of the Communist Party of Indonesia; Gerge Hawi, general secretary of the Central Committee of the Lebanese Communist Party; (Lolta Gel), chairman of the Workers' Party, the Swiss Communist Party; Alvaro Cunhal, general secretary of the Portuguese Communist Party; and Walter Silbermayr and (Suan Mezone), chairmen of the Austrian Communist Party.

The great leader Comrade Kim Il-song received New Year's greetings cards from Comrade (Unos), vice chairman of the State Council of the Socialist Republic of Vietnam; Gombojavn Ochirbat, chairman of the Central Committee of the Mongolian People's Revolutionary Party; Nawaz Sharif, prime minister of the Islamic Republic of Pakistan; (Tabu Kanish), chairman of the Council of the Communist Party of Czechoslovakia; Trevor Munroe, general secretary of the Workers' Party of Jamaica; Jorge del Prado, secretary general of the Central Committee of the Peruvian Communist Party; and Sean Garland, general secretary of the Workers' Party of Ireland.

Foreign State, Party Leaders Greet Kim Il-song

*SK0301103691 Pyongyang KCNA in English
1003 GMT 3 Jan 91*

[Text] Pyongyang January 3 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received messages of greetings from foreign party and state leaders on the new year of 1991.

The messages came from Norodom Sihanouk, president of Cambodia; Didier Ratsiraka, president of the Democratic Republic of Madagascar; Andre Kolingba, president and head of state of the Central African Republic; Zayid Bin-Sultan al Nuhayyan, president of the United Arab Emirates; Blaise Compaore, president of the Popular Front and head of state and government of Burkina Faso; Najibullah, president of the Republic of Afghanistan; 'Umar Hasan Ahmad al-Bashir, president of the

Command Council of the Sudanese National Salvation Revolution; George Hewison, leader of the Communist Party of Canada; and Sam Marcy, chairman of the Workers World Party of the United States.

The messages extended warm congratulations to President Kim Il-song and expressed the hope that the friendly and cooperative relations between Korea and their countries would further strengthen and develop.

South Korea

Rogachev Arrives 6 Jan for Official Visit

SK0501033291 Seoul YONHAP in English 0259 GMT 5 Jan 90

[Text] Seoul, Jan. 5 (YONHAP)—Igor Rogachev, first Soviet deputy foreign minister, will arrive here Sunday to discuss improvements in bilateral relations and the changing international situation around the Korean peninsula, the Foreign Ministry said Saturday. During his three-day visit, Rogachev is expected to deliver a personal letter from Soviet President Mikhail Gorbachev to Korean President No Tae-u.

Rogachev, who is in charge of Asia-Pacific affairs, and leader of a 12-member Soviet delegation including Soviet Ambassador to Seoul Oleg Sokolov, takes part in the first Korea-Soviet policy consultation meeting on Monday, a Foreign Ministry spokesman said. The consultation meeting will cover substantial improvement of bilateral relations and the rapidly changing situation around the Korean peninsula, he said.

"Rogachev's visit aims at opening regular policy consultation meetings between our foreign ministries as a part of follow-up steps to the second Korea-Soviet summit in Moscow," he said. "The date of the meeting was advanced at the request of Soviet-side." High on the agenda will be how much economic support Korea will extend to the Soviet Union.

Korea and the Soviet Union established diplomatic ties on Sept. 30, 1990, and No and Gorbachev issued a joint communique on relations between the two countries in Moscow on Dec. 14.

Rogachev, a career diplomat, will pay a courtesy call on No on Tuesday and deliver Gorbachev's letter. The content of the letter is not known. He is also expected to meet newly appointed Prime Minister No Chae-pong. There is a speculation that Rogachev, who is to visit China after Seoul, will deliver Seoul's positions on U.N. membership and inter-Korean relations to Beijing and that he might make a trip to North Korea in order to prevent relations between Moscow and Pyongyang from further deteriorating due to normalization of relations between Moscow and Seoul.

Rogachev Carries Message

SK0601032891 Seoul YONHAP in English 0306 GMT 6 Jan 91

[Text] Seoul, Jan. 6 (YONHAP)—Soviet Deputy Foreign Minister Igor Rogachev arrived here Sunday at noon on a three-day official visit, carrying a private message from Soviet President Mikhail Gorbachev to President No Tae-u.

Rogachev is scheduled to call on No Monday morning to hand over the the letter before having talks with Foreign Minister Yi Sang-ok in the afternoon. Gorbachev's message, according to a government official, apparently contains an urgent Soviet call for Seoul's economic support.

In the first Korea-Soviet policy consultation meeting, Rogachev will lead a 12-member Soviet delegation including E.P. Gostev, vice president of the Soviet International Bank for Economic Cooperation and Oleg Sokolov, Soviet ambassador to Seoul.

On Tuesday, Rogachev is to meet with Prime Minister No Chae-pong and leave for China.

Rogachev Speaks at Airport

SK0601070591 Seoul Domestic Service in Korean 0600 GMT 6 Jan 91

[Text] Soviet Deputy Foreign Minister Rogachev arrived in our country at noon today along with 12 delegation members to attend the first ROK-Soviet policy consultative meeting.

During a meeting with reporters at the airport, Deputy Foreign Minister Rogachev said that he came to the ROK as a special envoy of Soviet President Gorbachev and that he would deliver President Gorbachev's personal letter to President No Tae-u, adding that he could not disclose in advance what was said in the letter. Deputy Foreign Minister Rogachev also said that he would discuss the international situation, the situation in Northeast Asia, and various other issues with the ROK side, and that he expects much from his meeting with President No Tae-u. Deputy Foreign Minister Rogachev also said that according to the Moscow declaration, agreed on and adopted during last month's ROK-Soviet summit talks, the ROK and the Soviet Union will continue political dialogue and that he expects that his current visit will further develop the relations between the two countries. Rogachev said that even though he is visiting the ROK as a representative of the Soviet Foreign Ministry, he also represents a Soviet economic delegation that is scheduled to visit to the ROK next month, thus strongly hinting that he would extensively discuss economic cooperation with the ROK side during his trip. Referring to the issue of easing tension between North and South Korea, Deputy Foreign Minister Rogachev said that, as long as there has been a channel of dialogue established between the North and South, it is not necessary for the Soviet Union and other third countries to play the role of a mediator and that the Soviet Union is ready to contribute to making progress in North-South dialogue and that he will visit North Korea in the near future.

Deputy Foreign Minister Rogachev will pay a courtesy call on President No Tae-u at Chongwadae tomorrow morning and will deliver President Gorbachev's personal letter to him. He will also meet Foreign Minister Yi Sang-ok and will discuss ROK-Soviet economic cooperation and ways to ease tension on the Korean peninsula with him. Tomorrow afternoon, he and Deputy Foreign Minister Yu Chong-ha will hold a first ROK-Soviet policy consultative meeting and will extensively discuss ways for bilateral cooperation following the Moscow declaration. After paying a courtesy call on acting Prime Minister No Chae-pong, he will leave our country on 8 January.

President No Meets Rogachev

SK0701044291 Seoul Domestic Service in Korean 0400 GMT 7 Jan 91

[Text] Soviet President Gorbachev sent a personal letter to President No Tae-u, explaining the difficulties of the Soviet economy and thus requesting the ROK's prompt cooperation.

President No Tae-u received President Gorbachev's letter this morning at Chongwadae from Rogachev, deputy Soviet foreign minister who is visiting our country as President Gorbachev's special envoy. They exchanged views on impending issues between the two countries.

In his letter to President No Tae-u, President Gorbachev explained the economic difficulties facing the Soviet Union and said that many countries extend cooperation because this problem is related not only to the Soviet Union but also to the interests of the international community. Thus, he asked for the prompt cooperation of the ROK.

President Gorbachev stated that the Moscow declaration deserves high praise and will contribute as a firm cornerstone to the development of ROK-USSR relations and to peace, security, and cooperation in the Far East and Asian-Pacific region.

Rogachev on Diplomatic Talks

SK0701090491 Seoul YONHAP in English 0844 GMT 7 Jan 91

[Text] Seoul, Jan. 7 (OANA-YONHAP)—Soviet Deputy Foreign Minister Igor Rogachev said Monday he hopes to have regular diplomatic consultations with South Korea and to develop closer ties with the former adversary, especially in international organizations.

Rogachev, meeting with Korean Foreign Minister Yi Sang-ok, also said he will work to realize President Mikhail Gorbachev's early visit to Seoul. The two ministers discussed the crisis in the Persian Gulf and agreed the confrontation should be resolved peacefully.

Carrying Gorbachev's personal letter to Korean President No Tae- u, Rogachev arrived in Seoul on Sunday for the first Korea-Soviet policy consultation meeting. Yi said his country wishes to hold regular sessions not only between foreign ministries but in other areas as well. He added that Gorbachev's visit will hopefully be realized as soon as possible.

Yi also asked Rogachev for Soviet attendance and active participation in the ESCAP (Economic and Social Council of Asia-Pacific) General Assembly in Seoul from April 2. The Soviet deputy foreign minister said he wished to continue diplomatic consultations and to build ties through international forums such as the United Nations.

Rogachev also assured Yi that he will try his best to arrange Gorbachev's early Seoul visit, saying that Moscow was well aware of Korea's ardent anticipation. The Soviet Union will definitely attend the ESCAP General Assembly, Rogachev added.

IZVESTIYA Reports KAL Remains Found

SK0601082691 Seoul Domestic Service in Korean 0600 GMT 6 Jan 91

[AP-YONHAP from Moscow]

[Text] It was belatedly learned that IZVESTIYA, a Soviet Government newspaper, reported late last year that Soviet military frog men found the remains of the Korean Airlines [KAL] passenger plane, which was shot down by Soviet fighters off the Sakhalin coast in 1983, a long time ago. IZVESTIYA reported on 20 December last year that unidentified high-ranking Soviet officials told a reporter of this newspaper that Soviet military frog men had found the remains of the KAL flight number 007 passenger plane, a Boeing 747, in the sea off the (Maneton) Island coast near Sakhalin. This newspaper also reported that the Soviet authorities refused to confirm this report and that the paper would not carry any further detailed report until the information on the discovery of the remains is completely confirmed. IZVESTIYA did not report when the Soviet military frog men found the remains of the KAL plane, or whether the bodies of the passengers were found, and what happened to the remains. It also reported that four U.S. senators asked President Gorbachev to disclose the result of the Soviet Union's investigation into the incident involving the downing of the KAL plane. This newspaper also reported that it is time that the Soviet Union disclose any information on hand on this incident, adding that the Soviet Union must bear the denunciation of this horrific mistake if clear evidence is found.

Official KAL Explanation Demanded

SK0701081291 Seoul YONHAP in English 0723 GMT 7 Jan 91

[Text] Seoul, Jan. 7 (YONHAP)—South Korea has decided to ask the Soviet Union for an official explanation of an article in the magazine U.S. News and World Report (USNWR) that it long ago recovered the remains of all 269 people aboard a Korean jumbo jet shot down by a Soviet fighter in 1983 and secretly burned them, a government official said.

"Our government has urgently instructed our embassy in the Soviet Union to confirm whether the report on the incident is true or not," he said on condition of anonymity. Visiting Soviet Deputy Foreign Minister Igor Rogachev was told of the decision during the Korea-Soviet policy consultative meeting on Monday and strongly urged to confirm the report.

"It will be a critical issue between Korea and the Soviet Union if the report is true," he said. "In that case, we cannot but ask the Soviet Union to apologize and compensate us for this inhumane act."

USNWR charges in its latest edition that the Soviet Defense Ministry pressured the government paper IZVESTIYA, which said Dec. 20 that the wreckage of the Boeing 747 had been thoroughly explored, not to report the cremations. IZVESTIYA did not say when the wreckage of the ill-fated plane was discovered or if any bodies were found.

Korean Air [KAL] flight 007, enroute to Seoul via Anchorage, Alaska, was shot down after it strayed into Soviet air space over Sakhalin on Sept. 1, 1983. There were no survivors.

KAL Discussion 'Not Favorable'

SK0701111691 Seoul Domestic Service in Korean 1000 GMT 7 Jan 91

[Text] In the first round of the ROK-USSR policy consultative meeting held this afternoon, attended by vice foreign ministers of the two countries, the government called on the Soviet side to conduct another investigation into the incident of the Korean Air [KAL] airplane and hand over to us new data or information concerning the incident.

Reporter Yi Son-chae has more:

[Begin Yi recording] In the first round of the ROK-USSR policy consultative meeting held this afternoon in Seoul, Vice Foreign Minister Yu Chong-ha called on the Soviet Government to give an explanation of a recent report in IZVESTIYA that the bodies of the KAL passengers had been burned. He asked that the Soviet side hand over to us whatever data the Soviet Government has at its disposal.

In response to this, Soviet Vice Foreign Minister Rogachev said: I will inform the Soviet institutions concerned of the ROK Government's position on the incident of the KAL passenger plane, but it is undesirable to talk about a matter of principles based on reports in the press. It is also undesirable for the two countries of the Korean and Soviet peoples to approach this issue too emotionally, as that is not favorable to development in bilateral relations.

Vice Minister Rogachev insisted: The KAL plane was shot down because it did not respond to the Soviet side's signal, it had its navigating lights turned off and, moreover, the shape of the passenger plane was similar to a U.S. reconnaissance plane.

In today's meeting, our side stressed that the only way the Soviet Union can contribute to easing tensions between the South and North and to peaceful settlement of the Korean peninsula question lies in helping North Korea to have a correct understanding about realities. The Soviet side made it clear that it is willing to participate if the neighboring countries provide a guarantee for peace on the Korean peninsula.

The Soviet side also said that it fully understands the ROK's efforts for admission into the United Nations, as it respects in principle the universality of the world body. They then explained that the best way to solve the issue of the South and the North entering the United Nations lies in settling the issue between them through dialogue.

Prior to this, Vice Minister Rogachev exchanged views on improving relations between the South and the North and on the international situation, including the Persian Gulf, with ROK Foreign Minister Yi Sang-ok, saying that cooperation between the ROK and the Soviet Union will also be strengthened through such international organizations as the United Nations.

Vice Minister Rogachev said that a Soviet delegation headed by a vice foreign minister will take part in the congress of the Economic and Social Council of Asia-Pacific scheduled for April in Seoul. [end recording]

Farming Industry Enters Soviet Market

SK0101033491 Seoul THE KOREA ECONOMIC JOURNAL in English 1 Jan 91 p 11

[Text] As the recent economic cooperative move with the Soviet Union expands, the Korean farming industry is entering into the Soviet market.

Samples of apples, pears, tangerines and cabbages will be exported to the Soviet Union in January 1991 and Korean farming technicians are to be dispatched for cultivating vegetables there.

The International Farming Development Institute of Korea has held farming export negotiations with the Asia-Pacific Economic Cooperation Association under the Soviet Chamber of Commerce and Industry. As a result, the Soviet side expressed their intention to import samples of agricultural products first.

Payment for the Korean exports will be made with Soviet fisheries products, the head of the Korean institute Yi Pyong-hwa said.

With this, the Korean side has tentatively signed with a Soviet fishery firm to establish vinyl plastic hothouses near Vladivostok for cultivating vegetables and fruits on a trial basis. For this purpose, it plans to dispatch 50 Korean farming technicians to the Soviet Union.

Seventeen vinyl plastic hothouses will be erected on a 9,000-pyong farm, and 1,200 tons of tomatoes, cabbages, lettuces, cucumbers and green peppers are expected to be produced annually from there. Necessary sows and various facilities will be supplied from Korea by a Soviet ship in March.

In addition, a 1,000-pyong refrigerating warehouse will also be set up near the farming area with independent Korean technology. The total farming export scale to the Soviet Union including the farming technology training fees is estimated at 3 billion won (about $4.2 million), Yi said.

Seoul Urged To 'Stand Its Ground' Against U.S.

SK0401064091 Seoul HANGYORE SINMUN in Korean 4 Jan 90 p 2

[Editorial: "Response to U.S. Trade Pressure Should Be Resolute"]

[Text] The most serious pending issues facing the Korean economy in the new year are, above all, rising prices and trade feuds. Were we to pool domestic resourcefulness and effort, prices could be held in check, to a degree. Trade feuds, however, are very complicated, as they involve the other party's attitude, which is an unknown quantity.

It has been expected, though vaguely, that the United States would harden its attitude toward Korea following the collapse of the Uruguay Round [UR] negotiations. Nevertheless, the opposing side's first offensive was surprisingly rash and clumsy. First, the United States warned that unless Korea stops its campaign against the importation of luxury goods and liberalizes trade, it would withdraw some favors that Korea could enjoy. It is very questionable whether or not another country can interfere in our domestic campaign, organized voluntarily by civilians to avoid the importation of luxury goods. More questionable is the way the United States sees such things as the appeals of U.S. textile firms and automakers in TV ads—that U.S. citizens should buy U.S.-made goods—and a similar campaign launched in Korea. The United States regards the first as fair trade practice and the latter as unfair trade practice and then as an object of criticism. What is more, an outrageous assertion by the United States, that Korea must open up its market regardless of its economic situation, sort of makes us feel sorry for them. Being unable to withstand all kinds of pressures, including the exchange rates, customs, and calls on Korea to open up its markets, our country finally saw trade deficits of $5 billion in 1990, four years after it began posting a trade surplus. Nevertheless, the United States advises Korea to keep importing luxury goods. Such advice does not seem to be coming from a sane mind.

Just at a time like this, the government should stand its ground firmly and respond more resolutely to the pressure coming from abroad. But we are very much concerned about the government, because we have been hearing that they have adopted the opposite attitude. The government is reported to be willing to settle the major pending trade issues with the United States at the earliest possible date and extend unqualified support to the U.S. position in the UR negotiations in a series of trade negotiations between Korea and the United States, including the ROK-U.S. economic consultative meeting scheduled to be held in Seoul in January, the ROK deputy premier's visit to the United States in February, and the UR negotiations expected to be reopened in March. The measures taken by the government to satisfactorily remove the seeds of discord between Korea and the United States are welcome and correct. However, the government's unconditional kowtowing to the United States simply because the latter raised its voice is totally inappropriate. It is about time for us to break our habitual thinking that Korea has had no choice but to succumb to U.S. threats.

SOFA Revision Termed as 'Insubstantial'

SK0501120391 Seoul HANGUK ILBO in Korean 5 Jan 90 p 2

[Editorial: "Insubstantial Revision of the Status of Forces Agreement (SOFA)—Why Is It Not on Par With a Similar One That Is Used for the U.S. Forces in the Philippines?"]

[Text] The SOFA [Status of Forces Agreement], which had been synonymous with inequality, was revised after two years of compromises. The revision of this agreement, a source of anti-U.S. sentiment in society, means that the people's earnest desire was fulfilled to a certain extent. Therefore, we cannot help but welcome this for now. In view of the people's dignity by which they can no longer tolerate the previous agreement, the collapse of the cold-war structure, and the changes in the international situation, the reestablishment of ROK-U.S. relations as more equal relations by way of the revision of the SOFA can be said to be a matter of course and, in a sense, belated.

In the past, we assumed a negative attitude toward exercising jurisdiction over crimes by U.S. soldiers by almost automatically waiving our jurisdiction. Under the new agreement, our country will exercise jurisdiction from the start; our country's customs offices can inspect all the goods that U.S. soldiers and their family members bring into our country; and the ROK and the United States will annually review facilities and areas—that the U.S. forces in Korea have used at their discretion—to decide whether it is necessary to return them to our country or not, will form a joint inquiry committee to settle labor disputes involving Korean employees working for the U.S. forces, and will establish appropriate procedures to prevent the induction of such diseases as AIDS and to quarantine agricultural products imported for the U.S. forces.

In the meantime, in signing the new agreement, the ROK and the United States said: "This means that the ROK-U.S. relations are becoming mature based on mutual respect and friendship." Viewed from this perspective, the new agreement is a significant departure from the previous agreement, which was unfair for no good reason. However, we cannot help but point out that the revision was not substantial enough for us to say that the new agreement has helped reestablish mature relations based on mutual respect.

There are differences in the South Korean and U.S. legal systems. However, under the new agreement, a ROK prosecutor cannot independently appeal to a higher court when an accused U.S. soldier is acquitted at the first trial. The new agreement did not provide procedures by which our country can ask the U.S. forces in Korea to hand over a U.S. soldier-convict who is hiding inside a U.S. military base. The new agreement does not completely provide the Korean employees working for the U.S. forces with the three labor rights, did not present ways for our country to independently take over facilities and areas—that the U.S. forces are using—if it is necessary for our national interests or to ask the U.S. forces to pay for them.

From this perspective, it is even pointed out, the new agreement is not even on par with a similar one for the U.S. forces in the Philippines, not to mention similar ones for the U.S. forces in Germany and Japan. Therefore, it can be said that much room for further discord still remains. After a long period of controversies and the people's opposition to the agreement, it was revised with difficulty. Therefore, in view of the reestablishment of mature relations between the two countries and the changes in the international situation, the agreement should have been revised into an equal agreement as similar ones for the U.S. forces in other countries are. We stress that the two countries must deeply realize that these shortcomings may in the long run do unnecessary damage to the U.S. role in and its contribution to promoting stability and peace on the Korean peninsula, and that, if they realize this, they must revise clauses—that are unfair to our country compared to similar ones for the U.S. forces in other countries—into reasonable ones.

We exercised jurisdiction over only 0.5 percent of the crimes by U.S. soldiers for the past 10 years. We must reflect on the fact that we did so not only because there were unfair clauses but also because our side lacked a will to exercise jurisdiction or facilities to detain U.S. military criminals. For now, we must properly exercise our jurisdiction as stipulated in the new agreement and must gradually correct the shortcomings.

Ministry To Expand Prisons for U.S. Suspects

SK0501014491 Seoul TONG-A ILBO in Korean 4 Jan 91 p 1

[Text] The Justice Ministry has decided to build more cells to accommodate foreign criminals in prisons, in order to detain U.S. military criminal suspects separately. This decision was made in anticipation of a drastically expanded Korean jurisdiction over crimes committed by U.S. soldiers stationed in Korea, following the signing of a revised Status of Forces Agreement [SOFA] signed on 4 January by the ROK and the United States.

The Justice Ministry has also decided to put the convicted U.S. military criminal suspects en bloc in the newly opened Chonan Juvenile Penitentiary.

In addition, the Justice Ministry plans to reinforce the system of appointing prosecutors in charge of SOFA cases at district attorney offices across the country and have them retrained in order to raise their qualifications.

Continuing Series on Former North Commander

Yu Song-chol's Testimony Part 14

SK0701095791 Seoul HANGUK ILBO in Korean 18 Nov 90 p 10

[Part 14 in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, cowritten with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**Kim Il-song Commences "Massive Bloody Purge" Following the War**

Today's reign of Kim Il-song as a deified absolutist leader is the result of a nearly ten-year "massive bloody purge" carried out after the Korean war.

Kim Il-song eliminated any competitors who may have been able to challenge his leadership through this massive purge, while training the citizens of North Korea to be his loyal subjects.

Purges in socialist countries have two simultaneous characteristics which can be seen in other socialist countries such as Stalin's mass purges in the Soviet Union and the Cultural Revolution in China. A purge is both an ideological struggle and a power struggle. In the process of transforming from a feudal system to a revolutionary new system, the outbreak of an ideological struggle may indeed be an unavoidable phenomenon.

However, Kim Il-song's massive purge was closer to a vile power struggle than to a genuine ideological conflict over socialism. Although Kim Il-song always rationalized his purges under the banner of ideology, there was always an evil power conspiracy lurking behind them. There are many instances where the "charges" which Kim Il-song accused his political enemies of were extremely unjust and fabricated.

Although Kim Il-song had begun his purges from the very beginning of the establishment of the North Korean regime, it can be said that they began in earnest after the war.

If we divide the purges of Kim Il-song by period, then the purges may be largely classified into those immediately after the war, immediately after the de-Stalinization movement in 1956, the 1958 thought examination movement, and the military purge in late 1960.

Rumor that 90 Percent of Generals Who Participated in the War Were Purged

Kim Il-song flaunted his superior political maneuvering during the execution of these purges. When he attacked the Soviet faction, he used the Yenan faction and the South Korean Workers' Party [SKWP] faction. When he clamped down on the Yenan faction, he mobilized the partisan faction and the domestic faction, craftily fighting fire with fire [i-i che-i].

Kim also drew each of the faction leaders to his side, where he would use them to sweep away the remainder of their own faction. Eventually he purged even the leaders.

Kim Il-song's purges were conducted in accordance with plans he had drawn up in his secret hideaway. As they were carried out so extensively and over such a protracted period of time, it is hard to comprehend the entire picture.

I recall hearing one time that over 90 percent of the generals of the Korean People's Army [KPA] who participated in the Korean war were purged. The situation was the same within the state, party, and other fields as well.

I will give you a brief description of the purge process of some of the upper-level leaders which I myself directly experienced.

Toward the end of 1951, as the war had reached a lull, the first person to become a victim of Kim Il-song's purges was the leader of the Soviet faction, Ho Ka-i.

Kim Il-song's authority had been greatly damaged by the failure of the war. He felt that he was facing a crisis in which each of the factions would take him to account for the results of the war. This was the background behind Kim Il-song's decision to firmly pick up the knife of the purge at this time.

The purges were generally carried out in the following way. An elaborate plot was conducted to trap the individual ahead of time. The results of this plot were used as the basis for a public criticism of wrongdoings at a party meeting. At this time, the person would be stripped of his position or party membership. This was roughly the order a purge was carried out in.

The henchman in the purge of Ho Ka-i was Pak Chang-ok, also from the Soviet faction. Pak was a theorist who had been the head of the propaganda department in a district party office in the Soviet Union. At the time of Ho's purge, he was working as the head of the party's propaganda department. Pak Chang-ok's backstabbing operation of Ho Ka-i was as follows.

One day Pak brought a "special draft" which was to be announced at a party meeting to Ho Ka-i, who was the vice chairman of the Party Central Committee. This draft was filled with flowery modifiers praising Kim Il-song.

Ho Ka-i, regarding this as unacceptable, pointed out, "There are too many modifiers praising Comrade Kim Il-song. Comrade Il-song is known throughout North Korea. Is this really necessary?" Pak Chang-ok answered, "If the comrade vice-chairman would erase those passages which aren't necessary, I will fix it."

Ho Ka-i unsuspectingly underlined in red ink all the flourishing passages and handed the draft back to Pak.

Pak Chang-ok immediately took the draft to Kim Il-song. When Ho Ka-i went to visit Kim Il-song as his office, Kim pulled the draft out of his drawer, his face flushed as he showed it to Ho Ka-i.

Shortly afterwards, as soon as the Fourth Plenum of the Workers' Party of Korea Central Committee opened on 01 November 1951, Pak Chang-ok took the lead in fiercely attacking Ho Ka-i.

Ho Ka-i's Questionable Suicide by Shooting in 1953

Pak Chang-ok criticized Ho Ka-i for discriminating in favor of workers born in South Korea over farmers from North Korea when Ho Ka-i, who was in charge of party organization, assembled the new party members. Also, Pak criticized Ho for indiscriminately expelling or punishing party members who lost their party membership cards during the war.

Thus Ho Ka-i was stripped of his party membership and his political life was, in reality, over. However, he maintained his position as vice premier within the cabinet for the time being.

In order to completely purge Ho Ka-i, Kim Il-song assigned Ho the task of restoring the Sunan Dam which was destroyed in the war. This was a task which was impossible to complete within the deadline provided.

Ho Ka-i could not tolerate such pressure. In 1953 he committed suicide with a pistol in his office, and naturally the Soviet faction collapsed thereafter.

However, I believe that Ho Ka-i did not commit suicide but instead was murdered. As soon as the Soviet faction was eradicated, Kim Il-song's next target was the SKWP and the Yenan factions.

Twelve people of the SKWP faction, to include Yi Sung-yop who had served as minister of justice, were apprehended in October 1952 just two months before the Fifth Plenum of the Central Committee opened. They were arrested on the charge of plotting a military coup d'etat to install Pak Hon-yong as the new leader of North Korea. At the time, the SKWP was operating a military school called the Kumgang Political Institute in order to train commandos to infiltrate into South Korea. It was claimed that the SKWP faction was going to mobilize the students of the school and instigate a coup d'etat. With this incident, the entire SKWP faction was purged to include lower-ranking party members.

Although Pak Hon-yong was not arrested at this time, in December 1955 he was detained and secretly executed on three groundless charges of overthrowing the North Korean Government, acting as a spy for the U.S., and destroying democratic forces within South Korea.

Being unfamiliar with the precise details behind the purge of the SKWP faction, this rough outline is all I have provided.

The Yenan faction purge which followed the SKWP purge was the most difficult and dangerous for Kim Il-song. The confrontation between Kim Il-song and the Yenan faction was a consequence of Khrushchev's criticisms of Stalin's one-man dictatorship and the presentation of the principle of collective leadership introduced at the Twentieth Plenum of the Communist Party of the Soviet Union which opened in February 1956.

The Yenan faction was becoming increasingly repulsed by the increasing Kim Il-song personality cult. Encouraged by the Soviet Union's de-Stalinization movement, the Yenan faction systematically rose in revolt against Kim Il-song.

Disaffection with the Kim Il-song personality cult was not only prevalent among the Yenan faction but was being increasingly felt among a wide range of upper-level leaders.

The Yenan faction had secretly planned on publicly raising the issue of the personality cult at the Central Committee plenum which was scheduled to open in August 1956.

At the time, the Chinese People's Volunteers [CPV] had not yet completely withdrawn from North Korea. Also, the Soviet Union had a clear understanding of the problem of the personality cult through the Soviet ambassador based in Moscow [as published] Yi Sang-cho. There were therefore many conditions which were favorable to the Yenan faction.

Then the leader of the Yenan faction Kim Tu-pong met one day with fellow faction members Vice Minister Choe Chang-ik and Minister of Industry Yun Kong-hum as well as Pak Chang-ok, who had led the purge of Ho Ka-i. Kim Tu-pong shared his opinion on the Kim Il-song personality cult. At this time Choe Chang-ik asked Pak Chang-ok to raise the issue upon Kim Il-song's return from his trip to the Soviet Union and nine other Eastern European countries. Pak Chang-ok backed off, replying, "Since it would be difficult for me to say anything, being from the Soviet faction, it would be more effective if Kim Tu- pong mentioned it."

The Party Central Committee Turns Into Pandemonium

Following this, Kim Tu-pong proposed to Kim Il-song that the problem of the personality cult be rectified. Kim Il-song paid little attention to Kim Tu-pong's recommendation.

The following day, the plenum of the Central Committee opened. Kim Il-song, who delivered the opening speech, gave a lengthy explanation on the results of his overseas trip. However, there was not a single mention of the de-Stalinization movement which Kim had witnessed in the Soviet Union.

As soon as Kim Il-song finished his comments, Minister of Industry Yun Kong-hum came forward and directly attacked the Kim Il-song idolization policy. The delegates directly controlled by Kim Il-song arose like a swarm of bees and launched a counter-attack against Yun. Other Yenan faction members such as Choe Chang-ik, General Federation of Labor Unions Chairman So Hwi, and Former Vice- Minister of the Ministry of Interior Yi Pil-kyu took Yun Kong-hum's side. However they were pushed back by the abusive insults and shouting from Kim Il-song's delegates. The whole assembly hall instantly became a scene of pandemonium.

The revolt of the Yenan faction failed. One can easily get a feeling for just how threatening the atmosphere at the plenum had become from the fact that four of the Yenan faction members—Yun Kong-hum, Yi Pil-kyu, So Hwi, and Kim Kang (vice minister of the Propaganda Ministry)—fled to China immediately after the morning session, fearing for their lives.

They traveled to the Amnok River in Yi Pil-kyu's automobile. After arriving at the river, they borrowed a boat and fled to China. Kim Il-song, having control of the situation, fiercely attacked the Yenan faction during the plenary session which continued to the next day. Kim Tu-pong was criticized for being a factionalist who only watched out for his Yenan faction.

In 1958 Kim Tu-pong was finally expelled from the party and met a tragic finish, passing away from natural causes at a collective farm.

However, these examples are only the tip of the iceberg as far as Kim Il-song's purges are concerned. Until the end of the 1960's... no, until even today, the turbulent winds of purges would continue to swirl.

Yu Song-chol's Testimony Part 15

SK0701100791 Seoul HANGUK ILBO in Korean 20 Nov 90 p 10

[Part 15 in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, co-written with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**After Returning From Study in the Soviet Union, Even I Undergo the Ordeal of Being Purged**

The frenzy of purges within North Korea was at its peak during the three year time period from 1956 to 1958.

Kim Il-song, who had undergone a direct challenge from the Yenan Faction at the August 1956 Plenum of the Party Central Committee, called this incident the "August Factional Incident." Denouncing it as an antiparty, antirevolutionary plot, Kim commenced a large-scale purge of the Yenan and Soviet factions. By this time, the international environment had also changed, allowing Kim to carry out his purges as much as he desired.

In October 1956, the anti-Soviet uprising occurred in Hungary as a consequence of the de-Stalinization movement. Khrushchev, who put down the uprising by force, announced in his "October Declaration" his intention "not to interfere in the internal political affairs of fellow communist countries in the future." Thus Kim Il-song no longer had a need to be concerned with the Soviet Union's or China's feelings towards his actions. He eliminated the entire Yenan faction, including Kim Tu-pong and Choe Chang-ik. He also conducted a major purge of the Soviet faction.

Fortunately, I had departed to study in the Soviet Union at this time and was able to avoid the winds of purge. However, all this amounted to was a short postponement of the inevitable.

As a result of the Korean war, Kim Il-song felt a keen need for modern military strategy. He therefore sent a request to the Soviet Union and eventually decided to send generals of the Korean People's Army [KPA] to the Soviet Military Academy.

On the Road to Study as a Result of the Recommendation of the Soviets

Four individuals were selected to be the first group of students to be sent to the Soviet Union. They included me, Operations Bureau Commander Yu Song-chol; Corps Commander Kim Chang-pong; Division Commander O Chin-u (current North Korean Minister of the People's Armed Forces); and Chong Hak-chun, chief of staff of the Artillery Command.

At first, I was not selected as one of the candidates to go. However, due to the vigorous recommendation of the Soviet military advisory group, I was added to the list at the last moment.

This was how I came to spend a leisurely life of overseas study at the Soviet Military Academy for two years, from the middle of 1956 until September 1958.

When I returned from study to North Korea, the harsh ordeal of "thought examination" greeted me.

On the day of our return at Pyongyang airport, Kim Chang-pong and Chong Hak-chun were met by people as well as vehicles to transport them. No one came out to greet me, however. Since I had heard some news of the purges going on in North Korea while I was living in the Soviet Union, I was struck by an uneasy feeling: "Something is wrong here." My premonition proved true.

On the third day after returning to my job at the Operations Bureau, I received a notice from the Ministry of National Defense [MND] stating, "After work, a meeting of the Thought Examination Committee is being held. Please attend."

I went there believing it to be an ordinary meeting. However, as soon as the meeting began, the chairman pointed to me, declaring, "You have committed four mistakes. Conduct self-criticism."

Having been abruptly pressured into performing self-criticism, I was shocked and lashed out, "In the past I have been complimented for my work, and I have just returned from studying abroad. Are you saying that I have done something wrong?"

In response, he raised his voice and began treating me like a criminal, saying, "Do you still think that you are the Operations Bureau commander?"

The four crimes which they accused me of were: first, denouncing the people's loyalty towards Kim Il-song as a cult of personality; second, speaking as though Kim Il-song had started the Korean war; third, conducting my work as an individualist; and fourth, conducting espionage activities for the Soviet Union.

At first, I was bewildered; however, I instantly realized where these false charges originated from.

One day, before I left to study in the Soviet Union, I shared a conversation about various topics with Artillery Commander Kim Pong-yul and Chong Hak-chun, the Artillery Command chief of staff, both of whom had come to my office to chat.

Two of the Charges Were Unfounded

The conversation turned to the criticisms of Stalin's cult of personality which took place at the Twentieth Plenum of the Communist Party of the Soviet Union. I carefully revealed my inner feelings, saying, "Do we not have a cult of personality in our country as well?" It looks like someone informed on me.

Concerning the issue of the Korean war, I did indeed at one time meet with Kim Pong-yul and Chong Hak-chun and remark, "Instead of starting a war, looking for a means of peaceful unification would have been more desirable." This comment would become my downfall.

However, the remaining two charges were completely unfounded. The accusation that nepotism was influential in my work implied that in conducting my duties I assembled a faction. This was certainly not the case.

As for the issue of conducting espionage activities for the Soviet Union, it looks like this charge was a scheme of Kim Il-song's stemming from the fact that my close relationship with the Soviet military advisors and their recommendation that I be sent to study overseas offended Kim.

Accordingly, I refuted the accusations one by one. First, I denied the charge of criticizing the cult of personality by pointing to the relationship I had with Kim Il-song, the two of us being active together in the anti-Japanese guerrilla units. As for nepotism, I noted that due to the importance of the Operations Bureau, it was natural that I would select competent personnel, while also retorting that there were no Soviet-born Koreans among the personnel whom I selected.

Finally, concerning the claim that I conducted espionage operations for the Soviet Union, I presented as my opposing argument that since Soviet military advisors were dispatched to all the major posts at the time, would there even be a need for me to conduct espionage operations?

On the other hand, I frankly admitted my remarks concerning the Korean war and performed self-criticism.

In spite of this admission, from that day on, for the next two months I was harassed daily during blood-curdling thought examinations.

The thought examination meetings normally began around 1900 and continued until midnight or 0100. With the commencement of my thought examinations, I was stripped of my position as commander of the Operations Bureau. My life consisted of spending all day in an empty room under the supervision of a guard writing letters of reflection, and at night undergoing thought examinations.

Thought examinations were tantamount to psychological torture designed to totally destroy one's personal humanity. The members of the thought examination committee indiscriminately used a variety of methods to torment and harass me until I had conducted self-criticism to their satisfaction. Every time I uttered a word, they adamantly rained acrimony on me, creating an atmosphere of fear with their cursing and shouting. After a few days I agreed with all of their criticisms out of a feeling of hopelessness; however, they continued to torment me every night, repeating the same process over and over.

Tantamount to Destroying Humanity

Unable to tolerate such psychological torture, I fell into such an extreme condition that I begged a thought examination committee member, a former subordinate of mine at the Operations Bureau, "Rather than bleed me slowly like this, just quickly kill me."

In reality, there were many individuals who, unable to endure the thought examinations, went crazy or actually killed themselves.

About the time my thought examination was to end, they came to me and demanded that I remove my lieutenant general rank insignia. I insisted, "Since I was given this rank by the MND, I cannot remove it without orders from the MND." They sneered and forcefully ripped off the rank.

As soon as the thought examination ended, I lost everything that I owned in North Korea all at once.

I was expelled not only from the KPA, but the party as well. I immediately sank into a predicament where I had to worry about my next meal. As word spread that I had undergone thought examination, relatives stopped visiting and even my old friends ostracized me. I had nowhere to turn for help.

I barely managed to obtain small amounts of provisions from some neighbors to feed myself.

Even My House Was Taken Away in the Depth of Winter

In spite of this help, as the temperature dropped to twenty-two degrees below zero in January 1959, eventually we were even forcefully evicted from the house we had been living in. Without any alternatives, our family found a one-room house nearby which had previously been used as a stable. Although all of the windows in the house had been destroyed and the floor was freezing, we moved there since we couldn't just freeze to death on the streets.

Furthermore, our oldest daughter Soya, who was in the fifth grade of elementary school at the time, was suffering from the measles.

I was shuddering at the brutality of Kim Il-song when a few days had passed and a soldier responsible for the management of the building we were living in came and demanded that we leave.

Driven to desperation, my wife Kim Yong-ok cried out, "We are people who gave our lives for the defense of the fatherland while you all still had runny noses. How can you do this to us?"

The soldier was obstinate, saying that there was nothing that he could do since he was only acting on orders from higher authorities.

In order to save my family's lives, I went to visit Kim Chang-tok, who was then the chairman of the Central

Party Inspection Committee. Although Kim Chang-tok was from the Yenan faction, he was stigmatized as being incompetent and wandered around from position to position until, upon my recommendation, he was employed as the 5th Division commander. Afterwards, he was promoted to chairman of the Central Inspection Committee.

Perhaps because of his indebtedness to me, Kim Chang-tok listened to my appeal and assisted me by letting me continue to stay in the house I was living in.

Kim Chang-tok then asked, "Would you like to continue working?" I assured him, "Whatever work I am assigned, I will eagerly do it."

A few days later I received a sealed envelope along with dispatch orders from the Cabinet Cadre Department appointing me as a cadre at the Hamgyongnam-to Provincial Party.

I was ecstatic. That day, I took my dispatch orders along with the letter and hurried off to Hamhung.

Kim Il-song Speech Reflects No Policy Change

SK0301032591 Seoul YONHAP in English 0212 GMT 3 Jan 91

[Text] Seoul, Jan. 3 (OANA-YONHAP)—North Korean President Kim Il-song's New Year message reflected unflinching adherence to the policy stated in previous years as regards unification of the Korean peninsula, a South Korean Government official said Thursday.

"Kim addressed the unification issue more extensively than at any other time," the official said. "But no policy changes can be found."

In a 50-minute speech on Jan. 1, Kim insisted that unification under his Koryo confederate system was the ideal method and that it was important to agree on this point, according to Naewoe press, Seoul's semi-official North Korea watcher.

Kim proposed a "political negotiation committee on national unification" be formed among government and civic leaders from South and North Korea to discuss his proposal, which differed from proposals made in previous New Year speeches only in the name of the committee, said the official who declined to be named.

"There must be no discrimination between government leaders and dissidents, between the small and many. Distrust and prejudice against each other must be thrown away," the North Korea leader said, criticizing Seoul for limiting South-North Korean dialogue to the government.

"North Korea will keep its doors open for dialogue with South Korean opposition leaders and dissidents," Kim said, demanding that Seoul abolish the national security law, free everyone jailed for visiting Pyongyang without government approval and guarantee free contact with North Korea by South Koreans.

Kim said the inter-Korean premiers' talks had stalled because Seoul rejected Pyongyang's non-aggression pact and restated the North Korean position that the pact must precede any agreement on confidence building and inter-Korean exchange, the reverse of the position adopted by Seoul.

He called for an immediate halt to the annual South Korea-U.S. "Team Spirit" military exercises and for Seoul and Pyongyang to join the United Nations with a shared seat.

The prime ministers of South and North Korea, divided at the end of World War II, have met for talks three times since September last year without reaching agreement on anything concrete, sticking on whether to adopt a non-aggression pact before a pact on inter-Korean exchange. "We confirmed through the New Year speech that Kim is firm on pushing for a non-aggression pact first and is unlikely to change his mind in future inter-Korean talks," the southern official said.

Paek Nam-chun Appointed to Reunification Committee

SK0401005391 Seoul YONHAP in English 0944 GMT 3 Jan 91

[Text] Seoul, Jan. 3 (YONHAP)—North Korea has appointed Paek Nam-chun, a counselor at the Administration Council, director of the Secretariat of the Committee for the Peaceful Reunification of Fatherland, replacing An Pyong-su, NAEWOE PRESS, an official communist affairs watcher here, reported Thursday.

The new assignment of An, who has been spokesman for the North Korean delegation to the inter-Korean prime ministers' talks, was not immediately known, but experts in North Korean affairs say An seems to have been promoted to vice chairman of the powerful committee.

Paek is also a delegate of the North Korean delegation to the prime ministers' talks. He has respresented North Korea in various inter-Korean dialogue forums during the past 20-odd years, and will serve as spokesman for the prime ministers talks from the fourth round slated for February.

Delegates to Inter-Korean Talks To Be Replaced

SK0501011791 Seoul THE KOREA HERALD in English 5 Jan 91 p 2

[Text] The government will soon replace some delegates to inter-Korean prime ministers' talks, government officials said yesterday. The replacement is necessary because of the recent sweeping cabinet reshuffle, they said.

Acting Prime Minister No Chae-pong will be South Korea's chief delegate in place of former Prime Minister Kang Yong-hun. As the national unification minister was upgraded to the rank of deputy premier. Song Han-ho, vice minister of unification, will be a delegate, officials said.

The government will also replace Yi Pyong-yong with Yi Tong-pok, a special aide to Premier No. Yi Pyong-yong has been appointed director of a newly created research center at the National Unification Board.

Gen. Song Ung-sop will succeed Gen. Chong Ho-kun, chairman of the Joint Chiefs of Staff [JCS]. Song is the first vice chairman of the JCS. Gen. Chong's North Korean counterpart has been Gen. Kim Kwang-chin, vice minister of the northern armed forces.

Further on Changes

SK0401082191 Seoul YONHAP in English 0756 GMT 4 Jan 91

[Text] Seoul, Jan. 4 (YONHAP)—South Korea is to name a new delegation to the inter-Korean prime ministerial talks because a new prime minister was recently appointed in a Cabinet reshuffle, which also involved a shakeup of top government posts and making the unification minister Korea's second deputy prime minister, a senior government official said Friday.

The new head of the delegation is the new prime minister, No Chae-pong, and Vice Unification Minister Song Han-ho replaces Hong Song-chol, the outgoing unification minister. "Song was head of the preliminary meeting on the inter-Korean premiers' talks," the official said.

The special assistant to the prime minister, Yi Tong-pok, who was shifted from chief secretary to the speaker to take over from Yi Pyong-yong in the reshuffle, also gets a seat on the team. "Chairman of the Joint Chiefs of Staff Gen. Chong Ho-kun, who was the military representative on the delegation, will leave to make room for first deputy chairman of the joint chiefs of staff Gen. Song Ung-sop," he said. Vice Economic Planning Minister Yi Chin-sol, presidential assistant for foreign and national security affairs Kim Chong-hwi and chancellor of the Institute of Foreign Affairs and National Security Yim Tong-won are likely to continue as delegates.

Coastal Anti-Infiltration Wire To Be Removed

SK0401045091 Seoul YONHAP in English 0200 GMT 4 Jan 90

[Text] Seoul, Jan. 4 (YONHAP)—Barbed wire strung along the east coast of South Korea is useless at its designed task of preventing infiltration by North Korean agents, instead detering tourists, and will be gradually removed, a Defense Ministry spokesman said Friday. It was concluded that the anti-espionage barbed wire is ineffective and that it hampers the development of tourist resorts, fishing and other activities of residents in the area, he said.

Negotiations have begun between the Armed Forces and the Provinces of Kangwon, and North and South Kyongsang on which stretches of wire to get rid of first and removal will begin in the first half of the year [as received]. The ministry is considering replacing the wire with mid-range radar systems recently developed with Korean technology, ministry sources said. Barbed wires will be removed first in the sea resort area of Hwajinpo in Kangwon Province where the residents filed collective appeal to the Armed Forces to remove the barbed wires.

The Armed Forces have begun installation of barbed wires since November 1968 when a group of some 30 North Korean guerrillas infiltrated into South Korea through Samchok and Ulchin Counties on the east coast. Barbed wire was placed at spots where infiltration was thought likely on the east coast from the military demarcation line in the north to the southern tip of the peninsula in 1979.

China To Increase Oil, Food Supplies to DPRK

SK0701084591 Seoul HANGUK ILBO in Korean 4 Jan 91 p 2

[Report from Correspondent Yu Chu-sok from Hong Kong]

[Text] In its recent issue dated 10 January, the FAR EASTERN ECONOMIC REVIEW reported on 3 January that the PRC Government promised North Korea to increase its petroleum and food supplies in 1991.

Citing a source in Beijing, the weekly said that the Chinese side made this promise when North Korean Prime Minister Yon Hyong-muk paid an official visit to China for six days late in last November. The Beijing source noted that North Korea is suffering from a shortage of food and petroleum, because the supply of petroleum from the Soviet Union was sharply decreased and the weather was very bad last year.

No Chae-pong Receives Japanese Ambassador

SK0701041691 Seoul YONHAP in English 0400 GMT 7 Jan 91

[Text] Seoul, Jan. 7 (YONHAP)—Prime Minister No Chae-pong received a courtesy call from Japanese Ambassador Keinichi Yanagi on Monday and exchanged opinions on pending issues of mutual concern.

No reportedly voiced the hope for positive efforts for a smooth solution of the legal status of Korean residents in Japan and bilateral problems. Yanagi's call came prior to Japanese Prime Minister Toshiki Kaifu's visit to Seoul set for Wednesday and Thursday.

Japan Urged To Resolve Pending Issues

SK0401133891 Seoul HANGYORE SINMUN in Korean 4 Jan 91 p 2

[Editorial: "Prime Minister Kaifu's Visit to Korea and Pending Issues Between Korea and Japan"]

[Text] At the invitation of President No Tae-u, Japanese Prime Minister Kaifu is to arrive in Seoul on 9 January for an official 2-day visit. During their talks, President No and Prime Minister Kaifu are expected to discuss ways of promoting peace and cooperation in Northeast Asia and the Pacific, as well as ways of easing tensions on the Korean peninsula and promoting exchange and cooperation between the South and the North.

To be more specific, during the visit the leaders are likely to discuss the thorny issue of guaranteeing the legal status of Koreans residing in Japan, the date for the Japanese emperor's visit to Korea next February, and issues related to negotiations for the establishment of North Korean-Japanese diplomatic relations.

With the deadline for negotiations on the legal status of Koreans residing in Japan only weeks away, 16 January, Korea and Japan are scheduled to work out a final compromise in a meeting between the Asian affairs directors of the foreign ministries of the two countries to be held in Seoul on 5 January. The focus of the pending issue between Korea and Japan, the legal status of the Koreans residing in Japan, can be summed up in two issues: the abolition of the alien residents' "fingerprinting" and "allowing the Koreans residing in Japan to be recruited as government officials."

In a meeting held in Tokyo last 19 December between the directors of Asian affairs of the two countries' foreign ministries, Korea and Japan agreed in principle that Japan will tailor a system as a substitute for "fingerprinting" and that Japan will recruit Koreans in Japan as teachers in elementary and secondary schools. According to this agreement, Japan is supposed to replace the "fingerprinting" with a "family registration," but this will not be enforced until 1994 or later. Japan argues that it needs time to prepare for a new system. The Koreans residing in Japan strongly oppose the "family registration system" on the grounds that it is only another system designed to check idenity. However, Korea and Japan disagree on the effective date of the new "family registration" and on penalties for those who "refuse to be fingerprinted." Also, the two countries have not been able to narrow their differences on recruiting Koreans residing in Japan as local governments officials.

We have repeatedly insisted that the legal status of Koreans residing in Japan is essentially a question that cannot be negotiated. The Koreans residing in Japan were forced to Japan during the Pacific War as soldiers, civilian employees of the military, laborers, and female entertainers for Japanese soldiers. What is more, they have contributed, along with the Japanese, to Japanese economic prosperity by fulfilling their duty, including the duty to pay taxes. This being the case, the legal status of Koreans in Japan is their historical right that must be guaranteed by the Japanese government. The Korean Government, therefore, should clearly settle the issue of the Koreans in Japan once and for all, casting aside its vague rhetoric of "establishing forward-looking relations of partners with Japan."

The Korean Government calls on Japan, in the process of its negotiations with North Korea, to persuade North Korea to agree on nuclear inspection, to see that its compensation for North Korea will not be used for military purposes, to heed the South's opposition to Japan's "compensating North Korea for losses incurred during the postwar period," and to consult closely with the Korean government regarding the speed of the Japanese-North Korean negotiations. Japan seems to be using its negotiations with North Korea as a "trump card" to hold in check the rapprochement between the ROK and the USSR and the ROK and the PRC. In spite of all these facts, the government should adopt a broad-minded attitude toward the North Korean-Japanese negotiations on the assumption that North Korea is part of the "Korean community."

Vietnamese Official, Delegation To Visit

SK2712090690 Seoul HANGUK ILBO in Korean 27 Dec 90 p 2

[YONHAP from Bangkok]

[Text] A well-informed source on Vietnam in Bangkok announced on 26 December that five delegates led by Phan Van Khai, chairman of the Vietnamese State Planning Committee, will visit Seoul around mid-January and will meet with high-ranking figures of the Economic Planning Board and the Korean Development Institute to have discussions on the question of Korean-Vietnamese economic cooperation.

With the diplomatic relations between the two countries broken in 1975, it has been learned that Chairman Phan Van Khai, who is a high-ranking official next to the chairman of the Council of Ministers, the vice chairman of the Council of Ministers, the minister of national defense, and the minister of foreign affairs among the members of the Vietnamese Council of Ministers, will be the highest-ranking figure ever to visit the ROK following the visit by Vu Tuan, minister of light industry, in February, 1988.

U.S. Asked To Help Evacuation From Somalia

SK0701064291 Seoul YONHAP in English 0628 GMT 7 Jan 91

[Text] Seoul, Jan. 7 (YONHAP)—The South Korean Government has asked the United States and Italy to cooperate in the evacution of the seven Korean citizens, including five diplomats, from Somalia, a Foreign Ministry spokesman said Monday.

The ministry recently learned that Ambassador Kang Sin-song, four other diplomats and two unidentified Korean citizens were sheltering in the ambassador's residence after a civil war erupted in that African country, he said.

Korea has not had communication with its embassy in Mogadishu since Jan. 2 and relies on other nations for contact, he said.

Ministers Urged To Prepare Measures for Gulf War

SK0401095591 Seoul YONHAP in English 0917 GMT 4 Jan 91

[Text] Seoul, Jan. 4 (OANA-YONHAP)—Acting prime minister No Chae-pong directed Friday cabinet ministers to have contingency measures ready in case war breaks out in the Gulf region.

In a cabinet meeting, No stressed the need to prepare measures to protect the national security and economy from the fallouts of a war in the Gulf.

"The war clock in the Gulf is ticking down to the last 11 days with peaceful settlement of the crisis out of sight. We should prepare countermeasures covering national security, oil reserves and protection of our citizens in Iraq," No said.

The status quo on the Korean peninsula is shaken each time war breaks out in another part of the world, so close attention must be paid to possible change in the combat readiness of the U.S. troops stationed in Korea and movement of the North Korean Armed Forces, No said.

Speaking in the meeting, Defense Minister Yi Chong-ku said, "if war breaks out, it will be between Jan. 15 deadline for Iraq to leave Kuwait and the end of February. We are watching carefully changes in the combat readiness of the U.S. forces here and movement of the multinational forces in the Gulf," Yi said.

Yi said he would consider sending a military medical team to the Gulf after consulting with the United States and Saudi Arabia.

200-Person Medical Team To Head for Gulf

SK0501040491 Seoul Domestic Service in Korean 0300 GMT 5 Jan 91

[Text] The government reportedly has decided tentatively to send a 200-person military medical team to the Persian Gulf.

Reporter Hwang Myong-su reports:

[Begin Hwang recording] The government this morning has finalized the decision after holding an emergency meeting to work out measures. In attendance were ministers of the government offices concerned, including Deputy Premier Yi Sung-yun, Director of the Agency for National Security Planning So Tong-kwon, and the ministers of foreign affairs, defense, trade and industry, energy, and construction. The government also decided to consult with the Democratic Liberal Party over the possibility of convening an extraordinary session of the National Assembly, earlier than the planned 24 January schedule, in order to obtain parliamentary consent to the dispatch of the military medical team.

At today's meeting, the government reportedly has tentatively decided to increase the size of the military medical team from the size of a mobile hospital to a 200-person team. It will comprise 30 doctors, about 100 nurses, and a number of security troops. At the same time, the government also ordered a fact-finding mission, including (Yi Sun), Ministry of Foreign Affairs director of Asia and the Middle East, now in the Persian Gulf, to gather data necessary for the dispatch of the military medical team and to discuss procedures in detail with countries concerned.

At today's meeting, the government also decided to evacuate about 100 Korean compatriots still in Iraq and Kuwait before 10 January, and issued an emergency directive to the missions in countries concerned.

At the meeting, the government advised business firms to work out an evacuation plan for the construction workers operating in the Middle East countries at the earliest possible date and then put the plan into practice depending on the situation on the spot. [end recording]

Further on Army Medical Team

SK0401021991 Seoul SEOUL SINMUN in Korean 4 Jan 91 p 2

[Text] It has been learned on 3 January that with the increasingly tense situation in the Persian Gulf region, the government will decide on the scale and date for dispatching an army medical team—based on reports made by the on-the-spot investigating team—and will also announce this sometime next week.

The government plans to hold a meeting this week with the section heads and directors of related departments—such as the Economic Planning Board, the Agency for National Security Planning, the Foreign Ministry, and the Energy- Resources Ministry, led by Yi Chong-pin, first assistant minister of the Foreign Ministry—to deal with the Persian Gulf crisis . It has been learned that in this meeting they will discuss a wide range of issues including the issue of dispatching the army medical team; the safety of Korean residents in this area; the trend of oil prices and its influence on the domestic economy; and the issue of cooperating with allies such as the United States and Japan.

A government authority said: "The National Assembly has to approve the dispatch of the army medical team. Therefore, it will be possible to dispatch the army medical team after 24 January, when the extraordinary session of the National Assembly is expected to convene."

It has been learned that the scale of the army medical team will be about 100 persons.

Medical Team Gulf Deployment Analyzed

SK0701083191 Seoul TONG-A ILBO in Korean 6 Jan 91 p 5

[From the "Focal Point" column by reporter Cho Song-ha]

[Excerpts] The ROK Government's final decision to send a military medical team to the Persian Gulf, if approved by the National Assembly, will be the first ROK military expedition in 27 years, since the ROK Armed Forces participated in the Vietnam war in 1964. The government is trying to minimize the significance of the dispatch of the medical team by stressing the fact that sending this team, although it is composed of military servicemen, is not a "dispatch of combat troops" to directly fight the Iraqi troops, but rather a humanitarian "medical team" to care for wounded soldiers of the multinational forces in the Gulf region.

However, many people, even military experts, point to the precedent of the Vietnam war, during which our country first sent a military medical team and later—as the situation worsened—it had to send combat troops. These people express deep concern over the government's decision, predicting that the dispatch of the medical team would soon be followed by a "dispatch of combat troops" if the Persian Gulf situation worsens.

Recognizing these concerns among people and military experts, a government official said, "The government only hopes that such a worst scenario, where we would have to send combat troops, will not occur." [passage omitted]

There is a strong probability that sending a military medical team to the Persian Gulf region, which has been decided upon by the government this time, will follow the precedent set during the Vietnam war, and this is why our people are paying special attention to it. Originally, the dispatch of a military medical team was not requested by the U.S. In September of last year, the United States asked our government to offer $350 million in cash to support the multinational forces and front-line countries bordering Iraq and Kuwait. At that time, our government proposed providing only $220 million in cash and, instead, sending a military medical team to the Gulf region.

At that time, our government did not see the Gulf situation as further worsening. Our government reportedly anticipated that the Gulf situation would be settled in a peaceful way through negotiations. Based on such an expectation, our government reportedly used the card of "sending a military medical team" in a bid to reduce our share of the $350 million in cash that the U.S. side had requested. However, since then, the Persian Gulf situation has further worsened and has already reached the brink of war. In other words, unless a dramatic compromise is made, there will be a war in the region beginning on 15 January.

This being the situation, according to a report, it was unavoidable to work out preparations to send a military medical team to the Gulf region. On the other hand, we have noticed that the government is strongly embarrassed by its decision to send a medical team the Gulf region. With the dispatch of a military medical team, if the United States requests that our country send combat troops in the future, there will be no justification for our government to reject the request. This is precisely our government's agony.

An official at the National Defense Ministry, citing the case of the Korean war, said, "It is only too natural to send our military medical team to the Gulf region, at least in terms of repaying the UN forces for having shed their blood with us during the Korean war. It is also a necessary step in establishing strategies to cope with a possible North-South military conflict on the Korean peninsula in the future."

He went on to say that the decision to send a military medical team to the Gulf region will serve not only to reaffirm the "military comradely love" between the ROK and the United States, which have lately been playing a tug of war over pending issues such as the U.S. troops' withdrawal from South Korea and the increase in the share of defense expenditures on the ROK side—it will also, in this way obtain more concessions on these issues from the United States so that we can attain "practical benefits" from it. He also said that the dispatch of a military medical team will serve to warn North Korea that if it provokes a military conflict on the Korean peninsula there will be immediate sanctions against it by the United Nations or multinational forces. It will thus be effective in psychologically discouraging North Korea from having any such delusions. [passage omitted]

On the other hand, if the situation in the Persian Gulf turns into a state of war, it is certain that various types of chemical weapons will be used in the war and that even our medical team will incur serious injury from chemical weapons. In such a situation, the government will not be able to escape the people's denunciation by saying, "The dispatch of the medical team has failed to bear the expected benefits the government sought to attain and the government has become embroiled in the U.S. military policy." If our combat troops are sent to this region in addition to the medical team, this will undoubtedly have a serious effect on our frontline defense. If the situation worsens there and, consequently, war breaks out, there may be immediate military moves in North Korea, too.

Therefore, analysts say that the dispatch of a military medical team will result in aggravating the North-South military confrontation on the Korean peninsula and that, consequently, the strategic environment of South Korea may further worsen. [passage omitted]

Dispatch of Medical Team to Gulf Discussed

SK0601133891 Seoul CHOSON ILBO in Korean 6 Jan 91 p 3

[Editorial: "Upon Seeing the Measures Taken For the Persian Gulf Situation"]

[Text] The situation in the Persian Gulf, which seems to be edging toward war, has reached the point were there is no choice but to make a decision whether to go to war or not. From the back of our minds, we hope that that situation could be settled by peaceful means, because we do not want to see mankind experience another stupid massacre and if a war breaks out, the whole world, including us, will have no choice but to suffer from a serious oil crisis and economic difficulties.

Quite contrary to such an ardent hope, an undesirable situation may develop unexpectedly at any given time. In anticipation of such an unexpected situation, the government reportedly has taken a few emergency measures after holding a meeting of the ministries concerned, including Deputy Premier Yi Sung-yun on 5 January. In the meeting, the government is said to have discussed how to keep supplies of oil flowing, ways of evacuating the Korean compatriots still operating in the Mideast countries, and the dispatch of an army medical team to the Persian Gulf.

The decision reminds us of an occurrence 26 years ago. Even at that time, the government made a unilateral decision. The past decision made 26 years ago and today's decision seem to have two things in common. At that time and again this time around, the government made unilateral decisions immediately after receiving some kind of information from the United States, without bothering to inform the people or the National Assembly that represents the former, of its decisions. Again both at that time and this time around, the government made the decisions in a secret meeting of the ministers concerned in a so-called "safe house," not in the government offices where the government officials are supposed to discuss those kinds of things.

Another factor, which we hope would be absolutely different this time, but comes back to mind is the precedent—that in the beginning the government claimed that it was sending in noncombat medical personnel to the combat areas. However, a little later the cause disappeared quietly and combat troops were made to go to the combat areas. In the past, we had no choice but to yield to the often-used U.S. trick of threatening to pull out additional numbers of troops and reluctantly agreed to send in noncombat personnel and then combat personnel.

Though a bit rusty, the sword that the United States has often threatened to use, still cuts well. Even now when we still believe that the clear and present military threat from the North has not abated yet, we need the presence of U.S. troops in our country until we have completed a military buildup equivalent to that of North Korea. What is more unfavorable to us now than 26 years ago is that we now sense even a further threatening sword called trade pressure hanging over our head, in addition the additional pullout of U.S. troops.

Of course, we can never afford to neglect paying back what we owe the United States, a traditional ally of our country that helped us hold together our country during the Korean war. At the same time, we also should not forget the fact that the United States prizes the Group of Seven, the seven most advanced Western economies, and the European Community far more than it does us when it comes to its own national interest. Even Japan, the country that the United States values far more than us, has been far more stingy than us about its share of the burden needed in managing the crisis in the Persian Gulf. This notwithstanding, Japan maintains a far more pro-U.S. and more friendlier policy and attitude toward the United States. In short, it is imperative for our country to inquire into the truth of the matter in the spirit of seeking truth through facts, while remaining friendly to the United States. The government runs the risk of losing public confidence in it by creating an impression that it appears to be adopting a national self-respecting attitude in the beginning, an air assumed only for show for the people, but then easily buckling under to the opposition when the latter touches our weak point.

'Ties With Old Allies' Must Be Prioritized

SK0501095991 Seoul TONG-A ILBO in Korean 4 Jan 91 p 2

[Editorial: "Strengthened Ties With Allies"]

[Text] As a task to be done before anything else in the new year, the government has outlined what diplomatic goals it seeks to achieve this year. As expected, the government's idea is to concentrate effort on improving relations between the South and the North, while keeping northern policy and southern policy in equilibrium. With this end in mind, the government plans to seek to normalize relations with China and realize the Korean president's visit to that country, making clear its intent to become a member of the United Nations. In addition, the government has once again stressed its policy of strengthening ties with such old allies as the United States and Japan.

By nature, the framework of diplomatic policy cannot be changed drastically in one morning unless, of course, there are such special upheavals as the great wave of changes which occurred last year in East Europe. This being the case, we have no intention of making an issue of the diplomatic goals laid out by the government. What concerns us, however, is the order of priority of the diplomatic goals. The tenor and substance of diplomacy can become different depending on which gets the priority, northern policy or southern policy. This is because the northern policy and the southern policy still are at odds.

The government's northern diplomacy has borne fruit through the establishment of diplomatic relations with the Soviet Union. Its plans to normalize its diplomatic relations with China before the end of this year and then realize President No Tae-u's visit to that country by taking advantage of the normalized relations with the Soviet Union. This means that the government is bent on giving the final touches to the northern policy.

This may be the reason why some policymakers in the government take to using often the word "aggressive" attitude. Unfortunately, however, the "aggressive" attitude means rejecting those who tend to attach importance to the old ties with old allies as being conservative.

It is a dangerous way of thinking. The year 1991 is important as it marks the second half of the Sixth Republic in office. This year's diplomatic goals reflect the tenor of the Sixth Republic's diplomatic policy to be enforced during the remainder of its term of office. This is why the government should make clear which diplomatic goal is a priority and which is not. The government claims that it cultivates its northern policy based on the strong ties with the old allies such as the United States and Japan. Is that true? It seems that the government's assertion that priority is given to the southern policy is no better than rhetoric.

Following the collapse of the cold war alignment, the world has entered an era of new order. Nonetheless, there is one thing that has not changed even now. It is that the United States still asserts its global leadership and shoulders its share of the burden as in the era of the old order. Perhaps more than ever. This means that the role of our old allies is growing greater. Also, this does not mean that the standing of the Soviet Union, one of the superpowers, has completely waned. Its influence on the Korean peninsula has rather soared. Now, what does the Soviet Union say about the Korean peninsula question? It still serves as spokesman for North Korea.

The same is true of Rogachev, vice Soviet Foreign Minister, who said the same thing in a written interview with TONG-A ILBO. Reiterating the same old calls for the signing of a nonaggression treaty between Seoul and Pyongyang, for converting the Korean peninsula into a nuclear-free zone, and for the withdrawal of U.S. troops from the South, Rogachev said that "North Korea's proposals constitute a good groundwork for easing tensions on the Korean peninsula." In Eastern Europe, the Soviets have employed diplomacy built on new thinking. The Soviet Foreign Ministry was against the establishment of diplomatic relations with Korea and made clear their conservative support of North Korea as manifested in the Moscow joint statement.

It is wrong to try to "aggressively" press forward diplomacy in a bid to make some diplomatic gains conspicuous. It is impossible for us to hope for some change in China's conservative pro-northern view of the Korean peninsula. Also, as indicated by President Kim Il-song's new year address, North Korea has not abandoned its idea about its leading role in founding a confederal system with the "South Korean People's Democratic Government." Let us look at the reality squarely. If northern policy ends up helping the Soviet Union's southward advance, or if it ends up giving economic assistance to the Soviets and nothing else, it is a serious problem.

From now on, let us carry on our northern policy quietly, without making noise. If we do it noisily, it may easily be misunderstood as government propaganda. And our ties with our old allies should be recovered, expanded, and developed. This is what must be the first order of business in the new year.

No, Kim Yong-sam Meet, Discuss Political Issues

SK0501082691 Seoul YONHAP in English 0630 GMT 5 Jan 91

[Text] Seoul, Jan. 5 (YONHAP)—President No Tae-u and Kim Yong-sam, the executive chairman of the ruling Democratic Liberal Party (DLP), discussed pending political issues Saturday in their first meeting of the year.

No, who is DLP president, had separate meetings also with party co-chairmen Kim Chong-pil and Pak Tae-chun. He told Kim Yong-sam that local elections scheduled for March ought not to destabilize society nor burden the economy and that he would not tolerate illegal acts. No said the public should be encouraged to vote for people who can work for regional development in the local elections so local autonomy takes root in the community.

The two agreed bills on amendment of the National Security Law and revision of the law governing the Agency for National Security Planning should be handled during the special session of the National Assembly starting Jan. 24.

Ministry: Trade Deficit Reaches $5 Billion

SK0301035091 Seoul YONHAP in English 0233 GMT 3 Jan 91

[Text] Seoul, Jan. 3 (OANA-YONHAP)—South Korea, after three years of surpluses, ended 1990 with a trade deficit of nearly 5 billion U.S. dollars on a customs clearance basis, the trade and industry ministry said in a preliminary report Thursday.

The deficit was 4.731 billion dollars, on exports of 64.982 billion dollars, up 4.2 percent, and imports of 69.713 billion dollars, up 13.4 percent, according to data compiled by the ministry. December exports topped imports by 7.011 billion dollars to 6.367 billion dollars, but the surplus made only a small dent in the 12-month deficit, the ministry said.

Many government and private research institutes have predicted trade deficits for both last year and this. Among reasons behind the deficit were the weakened competitive power caused by the strength of the Korean won, poor development of technologies and products, an easy-going attitude among the nation's workforce, sluggish exports of electronics items, textiles and automobiles due to strengthened import restrictions in importing nations, declining demand and a lack of new models, it said.

Arrivals of letters of credit, and indicator to export performance in a few months, increased 5.9 percent in the last month of 1990, signaling poor exports for the first quarter of this year, while the rate of import approval rose 14.6 percent.

Export Strategy Needs Reshaping

SK0301053391 Seoul YONHAP in English 0306 GMT 3 Jan 91

[Text] Seoul, Jan. 3 (YONHAP)—South Korean export strategy should be reshaped to effectively cope with small exports as 84 percent of the nation's export deals are currently worth less than 100,000 U.S. dollars and 64 percent less than 50,000 dollars, the Trade and Industry Ministry said Thursday.

According to the ministry, 58.8 percent of Korean exporters questioned in a recent survey said they were most vulnerable to price competitiveness, 18.5 percent fell short on quality and 10.8 percent were outdone on design.

Wage hikes were cited by 45.7 percent, appreciation of the Korean won by 28 percent and raw material price rises by 18.3 percent as the main factors in their weak international competitiveness, the report said.

In order to be competitive, 33.1 percent said they needed an exchange rate of at least 750 won per dollar, 24 percent said 740-750 won and 18.9 percent said 730-740 won. Other ways cited to revive competitiveness were placing priority on development of new products (28.1 percent), on factory automation (27.5 percent) and on pioneering of new markets (20.1 percent).

The ministry said Korean exporters appreciate high-quality goods (46.4 percent), development of new products (31.1 percent), distribution management (11.6 percent) and pricing (3.1 percent) as marketing strategies. Concerning quality, 44.3 percent said they were superior to their foreign competitors and 42.5 percent that they were almost even. Taiwan was named as the strongest competitor, followed by Japan and Asian developing countries.

Yi Sang-ok on Uruguay Round, Gulf Crisis

SK0401024391 Seoul THE KOREA TIMES in English 4 Jan 91 p 2

[From the "Press Pocket" column: "Drastic Change"]

[Text] New Foreign Minister Yi Sang-ok voiced hope that the on-going Uruguay Round, [UR] negotiation will be completed successfully, saying its success is essential for the world economy.

Its success is necessary especially to prevent the formation of trade blocs, he said when he paid a courtesy call on ruling Democratic Liberal Party leaders following his nomination as foreign minister.

He also expressed regret over reports that the nation is responsible for the failure of the UR talks in Brussels, adding Korea is not opposed to the negotiations although there are some objections to certain details. The talks will start up again on Jan. 15, he said.

Yi resolved to exert every effort to ease trade friction with the United States.

With regards to the Persian Gulf crisis, he foresees that there will be some drastic change in the situation just befoer the Jan. 15, on deadline set for use of force unless Iraq withdraws from Kuwait.

NTC Items May Be Dropped for Uruguay Round

SK0501084691 Seoul YONHAP in English 0634 GMT 5 Jan 91

[Text] Seoul, Jan. 5 (OANA-YONHAP)—South Korea may drop all agricultural products except rice from its NTC (non-trade concerns) list to the Uruguay Round and instead seek an extended grace period for market opening and subsidy cuts. The idea was discussed at a meeting Saturday led by Economic Planning Minister Yi Sung-yun to prepare a final proposal for the Uruguay Round, officials said.

Foreign Minister Yi Sang-ok, Finance Minister Chong Yong-ui Agriculture, Forestry and Fisheries Minister Cho Kyong-sik, and Trade and Industry Minister Yi Pong-so were present.

The consensus was that it is virtually impossible to push all 15 NTC items through the 107-nation trade negotiations. While opening markets for 14 of the listed products, they proposed delaying the date of market liberalization and reaching a compromise for a lower farm subsidy reduction to cushion the impact, the officials said.

The global trade talks collapsed Dec. 7, after five days of pushing and pulling by conflicting interest groups, notably the European Community and the United States, who could not agree on the agricultural sector. The nations are to meet again from Jan. 15, moving the negotiating table from Brussels to GATT headquarters in Geneva. Korea presented an NTC list naming rice, barley, soybeans, poultry and dairy products to be excluded from market liberalization. Rice must stay on the list, the officials said, because of food security.

Korea proposed subsidy cuts of 30 percent during a 10-year period starting in 1997, making room for a six-year grace period. "We cannot but opt for a more flexible proposal, considering that a refusal to concede can deepen the trade friction with the United States and invite other negative repercussions," one of the officials said. The government is also trying to accept U.S. demands in the service sector, mainly finance and telecommunications.

America is chiefly demanding equal treatment of its banks and financial institutes with Korean ones and less regulation on setting up branch offices. Seoul is likely to accept the U.S. stance that most-favored nation status be delayed in the aviation and maritime sectors, the officials said.

Imported Fruits To Be Sold Wholesale Only

SK3012011890 Seoul THE KOREA TIMES in English 30 Dec 90 p 8

[Text] Imported fruit including bananas and pineapples will have to be sold at legal wholesale markets by auction, starting January next year, the Agriculture, Forestry and Fisheries Ministry reported yesterday.

The government also plans to introduce the auction system for cabbages, garlic and red peppers at wholesale markets from next year to activate legal wholesale markets.

A ministry official said imports of bananas are expected to reach 200,000 tons or 300,000 tons a year when imports are liberalized next year. He said domestic fruit markets might be disturbed if imported fruits are distributed massively at illegal wholesale markets. To avoid the probable adverse effects, the government will ensure major imported fruits are sold at legal wholesale markets through auction. The government plans to crack down on illegal trading of bananas and pineapples at non-legal wholesale markets.

The ministry has instructed provincial government to draw up details of auction systems of major domestic farm products including cabbages, radishes, garlic and red peppers.

Ministry To Spend Billions To Clean Environment

SK0401085491 Seoul YONHAP in English 0712 GMT 4 Jan 91

[Text] Seoul, Jan. 4 (YONHAP)—The Environment Ministry announced Friday that it will spend nearly 12 billion U.S. dollars over the next five years to clean up the air, soil, rivers and seas.

The ministry will seek legislation authorizing it to fine polluters and use the money it thus raises for environmental protection, officials said. The mid-term plan targets eight areas for the cleanup and maintenance drive—the air, tap water, waste, soil, the seas, the natural environment, environmental science and environmental protection.

Of the 8.378 trillion won (11.72 billion dollars) budgeted for the project, 3.26 trillion won (4.56 billion dollars) will come from the private sector, they said. Most of the money is allocated to cleaning air and tap water, and to improving waste disposal. A highlight of the project is an anti-air contamination measure, to cost 3.128 trillion won (4.37 billion dollars), that will expand the use of liquefied natural gas (LNG) and low-polluting automobiles. LNG use will rise from 2.01 million tons in 1989 to 2.7 million tons in 1992 and 4 million tons in 1995.

This year, LNG will be made mandatory for all 99-square-meter to 112-square-meter apartments in Seoul, and its use will be expanded to smaller apartments next year. In 1995, LNG will be available in other major cities such as Pusan, Taegu, Taejon and Ulsan, the officials said.

Vehicles equipped with catalytic converters to reduce emissions accounted for 53 percent of the 1.4 million vehicles on Korea's at the end of 1989, but the level will be increased to 96 percent by 1995.

Water purification will soak up 2.99 trillion won (4.19 billion dollars) for improvements of waterworks and sewage systems, the ministry said. The BOD (Biological Oxygen Demand) at Paldang Lake, a major source of tap water for the Seoul area, will be improved from 1.2 ppm [parts per million] in 1989 to 0.8 ppm in 1995. Taechong Lake, the primary water source for mid-section of the country, will improve its BOD from 1.6 ppm 1989 to 1.2 ppm in 1995.

For waste processing, the ministry is setting aside 2 trillion won (2.79 billion dollars) for better recyling, incineration and burial systems, the officials said. Household waste burial will increase from 14.4 percent in 1989 to 61.4 percent in 1985, and the incineration rate will rise to 15.3 percent from 1.9 percent for household waste and 6 percent from 3.3 percent for industrial waste.

Burma

Commission Accepts NLD's Sein Win Explanation

BK0401160191 Rangoon Domestic Service in Burmese 1330 GMT 4 Jan 91

[Press release No. 1/91 of the Commision for Holding Multiparty Democratic General Elections of the Union of Myanmar [Burma], dated 4 January 1991—fifth day of the waning moon of Pyatho, 1352 Burmese era]

[Text] Subject: This commission has put on record letter No. 764/Si/90 dated 26 December 1990 of the National League for Democracy [NLD], which is presented as follows:
National League for Democracy,
97-B West Shwegondine Road,
Bahan Township,
Yangon [Rangoon]
Letter No. 764/Si/90
Dated: 26 December 1990
To the Chairman,
Commission for Holding Multiparty Democratic General Elections of the Union of Myanmar [Burma], Yangon.
Subject: Matters regarding Dr. Sein Win and his group:

1. It was made known to us that on 26 December 1990, the commission summoned two representatives from this league, who were told about the formation of the National Coalition Government with People's Assembly members from the NLD led by Dr. Sein Win, which some foreign newspapers had reported.

2. With reference to the above-mentioned matter, Dr. Sein Win is not a representative of the NLD, and he had already been removed as a party member. He and his accomplices had all been removed from the NLD and the recognition of their candidacy had been revoked.

3. The NLD is legally registered as a political party with the commission and is a party with legal standing.

4. Regarding the matter mentioned in paragraph two, because it is an entirely illegal matter, it is of no concern to this party which has legal standing.

5. We would like to inform you again that as reported by some foreign newspapers and broadcasting stations that about 250 elected assembly candidates had pledged support for Dr. Sein Win's group, this has nothing to do with a party such as the NLD, which has legal standing.

6. This is in accordance with the resolution passed at the Central Executive Committee meeting held on 26 December 1990.
On behalf of the Central Executive Committee,
Signed: U Aung Shwe, Central Executive Committee member

Daily Interviews Premier-in-Exile Sein Win

BK0601060091 Bangkok THE NATION in English 6 Jan 91 p A5

[By Ralph Bachoe, Joe Joshi, and Yindi Loetcharoenchok]

[Text] The prime minister of Burma's provisional government in exile, Dr. Sein Win, says his country has for the first time a government that groups together politicians who won a mandate from the people and ethnic groups who are no longer fighting to break away from the Union of Burma.

On December 18 last year in Manerplaw on the Burma-Thai frontier, eight MPs from the National League for Democracy (NLD) elected in the May 27 polls, appointed Sein Win prime minister and declared the National Coalition Government of the Union of Burma (NCGUB).

To lure the minorities, the provisional government agreed to form the Democratic Front of Burma which embraces Sein Win's Cabinet and the Democratic Alliance of Burma (DAB), an umbrella group of 21 minority, religious, student and expatriate factions.

The provisional government is supported by the Karens and Kachins who along with the Mons, Arakanese, Shans and other ethnic groups have been fighting for autonomy since Burma gained independence on January 4, 1948.

In a recent interview with THE NATION on the Thai-Burma border, Sein Win said Karen General Bo Mya and Kachin Chairman Brang Seng supported the provisional government and had given up their plan to seek autonomy.

Sein Win said it also is important to note that "the Karens and the Kachins have their army and now their army is our army because they are supporting us ... They are no more rebels fighting for secession. They are fighting for the same cause as us. So their army is our army."

'Slorc [State Law and Order Restoration Council] a rebel group'

He said the new government also has a territory "and Slorc (the ruling military-led State Law and Order Restoration Council) is just a rebel group which does not want to recognize the people's wish."

Slorc was formed by the military following bloody nation-wide prodemocracy demonstrations in Burma in 1988. It has refused to hand over power despite the NLD's landslide election victory.

Earlier, Brang Seng said his group the Kachin Independence Organization [KIO] and its military wing Kachin Independence Army including other ethnic organizations supported Sein Win's government, and that they would cooperate to win international support for the provisional government.

"We support the NLD or legally elected MPs to form a government whether in Rangoon or Mandalay or in other parts of the country within the boundary of Burma ... We have expressed our willingness to support them ... and we will cooperate with each other to receive international support and recognition," he said.

The KIO, he said, had its own "foreign contacts and friends" and that he had travelled around the world many times and would soon start more overseas trips, "If they (Sein Win's government) need foreign backing, all our friends will support this government." He, however, believed that international backing would come only after the provisional government wins the support of the Burmese people inside the country.

Sein Win said it was too early to say if his government plans to use force to destabilize the military regime in Rangoon. "I cannot say now but I want to emphasize that we have a plan."

Just when Sein Win's government was announced, the NLD's Central Executive Committee in Rangoon expelled the eight MPs in the provisional government.

"The NLD had to expel us or Slorc would just cancel their party ... We have some understanding with the people inside Burma," said Sein Win.

The 47-year-old prime minister said he also is a NLD member and his Party for National Democracy (PND) is closely allied with the NLD. The party was intended as a backup in case the military dissolved the NLD.

Sein Win, who easily won a parliamentary seat in the May elections, said he was chosen to be prime minister of the provisional government by NLD members.

Asked if the provisional government's alliance with the minority groups might help or hinder it from gaining acceptance by the people of Burma, because the military has always portrayed the ethnic groups as rebels, insurgents and bandits, Sein Win said: "The military government has portrayed the minorities as such long ago. But I'm very positive that our alliance with the DAB will not have a negative effect on the people of Burma ... The people know who are the bandits and who are the real revolutionaries."

Good relations

He added that the NLD has very good relations with the ethnic groups. "We understand each other very well and we have sorted out many problems. We think we have unity now—something Burma never had after independence."

Asked what was the attitude of the general public in Burma toward the ethnic groups and the provisional government's alliance with them, Sein Win said the Burmese people are very politically active and understand what is really going on. "Minorities are fighting for their freedom and democracy, like us, so I don't see any negative impact resulting from our alliance with the minority groups."

Meanwhile, Brang Seng added that the Kachin and other ethnic races including the Burman, the majority race in Burma, have now realized that they "must live together and must not be the master of the other. We must have equal rights in both politics and in other fields. Though the central administration will oversee defence, foreign, economic, telecommunications policies, the ethnic must have some autonomous rights in our states and to try our best to promote our union (of Burma)."

The Kachin leader said: "The Burman must not be the master of the smaller ethnic groups and the latter must not be too narrow minded because they can't stay alone and must join with other family members."

He quoted Sein Win as saying that he and other elected MPs "are not coming out from the dark (not knowing what the ethnic people want) and we already know what to do ... and that Aung San Suu Kyi (detained top NLD and popular leader) had already mentioned about this."

Sein Win said he had received several feedback from Burma since the formation of the provisional government. "We are listening to their voice."

Slorc has arrested more than 300 monks and many students in Rangoon, he said. "We can only assume they did it as a preventive measure because they are afraid of an uprising or some disturbance."

He said Slorc had supressed the people and the general atmosphere in Rangoon and other big cities was very quiet. "They are biding their time maybe," added Sein Win.

A diplomat based in Rangoon recently described the move by Sein Win and other NLD members to set up a provisional government as "madness," adding that by resorting to such actions, the military would crack down harder on remaining dissidents and NLD members in Burma.

"A very harsh word"

"The term 'madness' is a very harsh word," said Sein Win, obviously disturbed by the question. "Before we fled to the jungle to set up this government, we gave it much thought."

"And even before we set up the provisional government, the military had already supressed the people ... Many people were jailed, not only elected members of parliament but also party members ... and the party headquarters were searched by the military ...

"So it's not because of our action that the Slorc will supress us or NLD members; they have already supressed other NLD members ... and because there is supression, we came out, not the other way."

Some Burma analysts see Sein Win's move to set up a rival government as untimely. They say he has fallen into a trap set up [by] Slorc ... a trap to divide and weaken political parties in Burma, especially the NLD.

But Sein Win says "The NLD already was weakened before we came out. Many CEC (Central Executive Committee) members were arrested. So my action has not weakened the NLD ... the NLD already was weakened and that is why we came out."

He says it is difficult to say how many NLD members have been arrested "because Slorc never makes an announcement when they arrest somebody. We have only an estimate ... More than 80 MPs have been arrested, many others are in hiding and maybe between 2,000 and 3,000 other NLD party members are in detention."

Sein Win says his authority is in touch with some NLD members whom he obviously cannot name and adds "some are coming out to join us."

He says his government is well protected in Manerplaw from an expected Burmese military onslaught. The Karen stronghold is heavily fortified "and has withstood Burmese military onslaughts for many years ... I hope the Karens will do their job well."

"Clearly the leader"

Asked where Aung San Suu Kyi will figure in his government, Sein Win said: "She is clearly the leader chosen by the people. The NLD won a landslide victory in the elections because of her... Even though we didn't mention her in our government, she is chosen by the people to lead Burma."

He added that "we have made it very clear in our declaration of the government that our task is first to topple the military junta and then hold a national convention to group many nation leaders... those from the NLD, other elected MPs and representatives of the DAB. Of course Aung San Suu Kyi will also be there. And then this convention will decide the leader of Burma and we will respect the decision. A new constitution also will be drawn."

Win Ko, an MP from Sagaing Division said Aung San Suu Kyi had earlier told the NLD's Central Executive Committee to "do whatever is necessary to carry out the will of the people."

Asked if he or other officials from his government were in touch with foreign government representatives and intelligence agents, Sein Win shrugged the touchy question with a light laugh.

When pressed for an answer, he said "they are sympathetic to us but we don't have any promises of recognition yet."

He said he plans to attend several international forums to promote the cause of freedom in Burma.

Asked how his government is financed, Sein Win said most of the funds were now being provided by the DAB. "But we also hope to attract some funds from our friendly countries and friendly organizations."

Turning to Thailand, Sein Win said he would be happy if the Thai government could mediate in his country's political affairs to drive home the message of democracy and human rights.

He also appealed to the Thai government not to deal harshly with students fleeing across the border, and not to place them in camps.

He appealed to Burmese students to abide by Thai laws and regulations, adding that the provisional government was "very sympathetic to the students and would like to help them."

Thai Foreign Minister Dr Athit Urairat recently met with Burma's Ambassador to Thailand U Nyung Swe and urged Rangoon to patch up differences with the dissident students.

The offer surprised the envoy, who later told THE NATION that he was ready to "explain the real situation inside the country" to the students but insisted that it was not the form of "talks."

Big difference

Sein Win says that while Thai officials deal with Slorc ... "I say the Slorc, not the Burmese government," their activities should be kept to a minimum. "There is a big difference between Slorc and our government. The Slorc has no mandate because nobody elected them. Our government has the mandate of the people and the mandate of the party."

Asked if he was ready to compromise with the military in a bid to arrive at a peaceful solution to Burma's problems, Sein Win said: "I've not sent any message of compromise but I want to say very clearly that if Slorc gives up its hold on power and gives the people back their democracy and human rights and let the NLD form a new government ... I mean a real government not one under their influence, then of course we won't oppose them."

"I won't say we will negotiate. I like to emphasize we have some principles and these principles we cannot negotiate... for example democratic rights and human rights... We also have the principle that ... we will call a national assembly of many parties—the DAB also—then write a constitution ... That we cannot compromise."

There also have been reports of a split within the military. The NLD captured many votes in military strong holds during the last elections.

Sein Win's reaction to this was that it's still was too cearly to send feelers to the military. "But we know that the common soldier doesn't want to fight or risk their lives for the cause of Slorc. So we have to take advantage of that... We want to send a message that we are for peace and not for civil war ... We have to end the civil war."

"And I got the feeling that in the long term there will be a split in the military," added Sein Win.

He said the provisional government will be headquartered in Manerplaw till Rangoon is liberated and added that they have information that many NLD members are preparing to join them.

Several NLD MPs had earlier wanted to set up a provisional government in Mandalay but by the first week of October last year the main temples in the northern city were surrounded by tanks, gun-mounted jeeps and hundreds of soldiers.

On October 18 the MPs cancelled the plan and agreed to set up the provincial government in Manerplaw instead.

Four days later soldiers launched a massive crackdown on Mandalay's monks who were refusing to minister Buddhist rituals to military personnel.

Dozens of NLD MPs were jailed. Maung Ko, an executive committee member was allegedly tortured to death for witholding information on the Mandalay meeting and the monks'activities linked to it.

Sein Win is said to have opposed the plan to declare a provisional government in Mandalay and did not attend the October gathering there.

SLORC Head Issues Independence Day Message

BK0401124191 Rangoon Domestic Service in Burmese 0130 GMT 4 Jan 91

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC], sent a message on the 43d anniversary of Independence Day, today. The message reads as follows:

I cordially and respectfully greet the people of all the national races on this auspicious day, 4 January 1991, the 43d anniversary of regaining the independence of the Union of Myanmar [Burma]. Our Union of Myanmar has stood tall as a sovereign nation and [words indistinct] as a nation of the world for thousands of years. The avaricious British imperialists waged three aggressive wars on Myanmar in the 19th century, turning our nation into their colony and plunging it into servitude.

The people of all the national races, with a high sense of patriotism, fought with whatever weapons they could lay their hands on against the British imperialists' enslavement of our nation. The patriots from among the various national races such as the Kachins, the Kayahs, the Karens, the Chins, the Burmese, the Mons, the Arakanese, and the Shans, who had taken part in the anti-imperialist and national liberation struggle, must go down in the annals of our history as patriotic heroes so that their memory will last for eternity.

Just as these patriotic heroes have struggled to regain the independence of the nation so also have there been millions of service personnel and people, including the members of the Armed Forces and the offspring of the people of the national races, who have fought and sacrificed their lives in the struggles waged and the battles fought to defend the national independence we had attained so that we will not lose it again. Just as the respective national races of our land have made sacrifices by shedding their blood and sweat in the struggles for independence and in their endeavors to defend and safeguard the independence thus gained, so also must the duty of defending and safeguarding the independence of the nation be handed down to our decendents both at present and in the future.

In the 20th century, although the imperialists and colonialists have not blatantly committed aggression on and occupied small nations as in the old days, they employ the method of breeding minions, and the use of social, economic, and cultural means as well as ideological means. The small nations may fall under their spell of influence, think highly of them, and become subservient to them, so therefore, we must defend and protect our nation with greater caution and vigilance so that it will never again become a colony of any kind.

In defending and safeguarding the independence and sovereignty of the state, it is of the utmost importance for us to be strong and powerful. To make ourselves strong and powerful, we must first and foremost consolidate the strength within the country and make it modernistic and compact. Our Union of Myanmar, which is made up of various national races, must, as a first priority, enhance and strengthen the solidarity of all the national races, prevent the disintegration of the union, and defend and safeguard the sovereignty of the state, sacrificing one's own life as a national political duty along with all the citizens who live in an independent nation.

We must also strive to bring about development in the social sphere, such as in the educational, health, and cultural fields, while building up the economic structure along modern lines to achieve progress and development in order to be able to raise the people's standards for food, clothing, and shelter. We will also have to expose and crush those who violate the law, as well as those who cause disturbances, including the insurgents and destructive elements, while we simultaneously strive to achieve progress and development because these elements have caused hindrances to our implementation of the development tasks.

Before the formation of the government that will come into being in accordance with a strong and firm constitution drawn up according to the desires and aspirations of the people, the SLORC will carry out, with the help of the people, the national defense work and construction work which includes the following:

A. The three main causes—the nondisintegration of the union, the nondisintegration of national solidarity, and the perpetuation of the nation's sovereignty;

B. Perpetuating the power of the rule of law, peace, and tranquility; ensuring safe and smooth transportation and communication; and easing the people's needs for food, clothing, and shelter;

C. To safeguard with vigilance and caution the tasks to be carried out for the progress and development of all national races of the Union of Myanmar.

And as such I would like to urge all the people from all the national races to unitedly take part in the performance of these tasks, so that the objectives of the SLORC can be realized.

In short, I emphatically urge all the people of the national races on this auspiciuous 43d anniversary of Independence Day, to unitedly take part in trying to achieve success in the implementation of the national objectives of the SLORC, which are:
1. for all citizens to make concerted efforts with the SLORC leadership to perpetuate the independence, sovereignty, and integrity of the state;
2. for all citizens with the SLORC leadership to unitedly safeguard and prevent the union from disintegrating;
3. for all citizens to join hands with the Armed Forces to expose and crush the destructive elements;
4. for all citizens to conscientiously make efforts to draft and adopt a firm constitution in accordance with the wishes of the national races.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Asks Finance Minister To Remain in Post

BK0701064891 Kuala Lumpur BERNAMA in English 0605 GMT 7 Jan 91

[Text] Kuala Lumpur, Jan 7 (OANA-BERNAMA)—Malaysian Finance Minister Daim Zainuddin has expressed a desire to resign but has been asked to stay by Prime Minister Dr. Mahathir Mohamed.

Dr. Mahathir told reporters Monday [7 January] that he wished to retain the services of Daim when asked to comment on rumours rife in the corporate sector and stock market circles that Daim was resigning.

The prime minister said there had always been such rumours but Daim had not met him on the matter of late.

He said that Daim had on many occassions, as early as 1986, told him that he would like to resign.

Dr. Mahathir said Daim had also indicated of resigning before the general election in October but "I told him no and asked him to stand in the election."

Asked whether he would allow the finance minister to resign if Daim requested to do so now, he said: "I want to give myself the freedom to decide, one way or the other."

"If he raises the matter I have talk to him," Dr. Mahathir said.

Sabah Officials Arrested Under Security Act

Institute Head Detained

BK0401130191 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 4 Jan 91

[Text] The executive director of the Institute for Development Studies in Sabah, Dr. Maximus Ongkili, has been detained under the Internal Security Act.

Inspector General of Police Tan Sri Haniff Omar said in a statement that Mr. Ongkili was arrested at 2215 last night because there is evidence that he was involved in activities that would negatively affect the national security.

Premier Charged With Corruption

BK0501053691 Kuala Lumpur BERNAMA in English 0511 GMT 5 Jan 91

[Text] Kota Kinabalu, (East Malaysia), Jan 5, (OANA/BERNAMA)—The east Malaysia's Sabah State Chief Minister, Joseph Pairin Kitingan, was Saturday arrested and charged in court in this state's capital with three counts of corruption.

Session Court Judge, Tee Sah Sing granted request to have the case transfered to the Kota Kinabalu High Court.

Pairin was freed on bail of M [Malaysian] $1.5 million (about US$555,000) with two local sureties.

Pairin is the president of the ruling Parti Bersatu Sabah (PBS). In October's general elections, PBS had switched from Prime Minister Mahathir Mohamed's National Front coalition to the opposition camp.

Minister: No ISA Swoop Planned

BK0501131891 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 5 Jan 91

[Text] Deputy Home Minister Datuk Megat Junid Megat Ayud has rejected an opposition leader's allegation that the arrest of a senior aide to the Sabah chief minister, Dr. Maximus Ongkili, under the Internal Security Act [ISA], as the beginning of more Lallang [Tall Grass] Operations. He said that opposition leader Lim Kit Siang was too hasty in making the allegation and expressed regret over Mr. Lim's action. The deputy minister stressed that the government had no plan to launch more Lallang Operations. He said the opposition group is very fond of using such issues to arouse anxiety among the people.

Datuk Megat Junid said that prior to this, the government had already launched several other operations under the ISA but they never caught the interest of the opposition, especially Democratic Action Party. However, the opposition showed interest in the Lallang Operations.

Minister Criticizes Arrest

BK0601123691 Hong Kong AFP in English 1225 GMT 6 Dec 91

[By A. Letchumanan]

[Text] Kota Kinabalu, Malaysia, Jan 6 (AFP)—A top state official charged Sunday that the arrests of Sabah Chief Minister Joseph Pairin Kitingan and his press aide were alleged harassment orchestrated by Malaysia's federal government.

"They (the federal government) are trying to cripple the state government ... To create confusion so that people will become panicky," said Sabah Deputy Chief Minister Bernard Dompok.

He said the federal government, whose relationship with the Christian-led Parti Bersatu Sabah (PBS) has turned chilly, was waiting for an opportunity to intervene in the affairs of this distant Borneo island state.

The PBS, which has been ruling the timber- and oil-rich state for the past five years, pulled out of Prime Minister Mahathir Mohamed's ruling National Front coalition during the October general elections.

Dr. Mahathir then described the PBS move as "blackmail" and "a stab in the back".

Mr. Kitingan was detained Saturday at a police road block while on way to his office while his press aide, Maximus Ongkili, was detained in Kuala Lumpur on Thursday under the Internal Security Act (ISA) which provides for indefinite detention without trial.

Mr. Dompok said the arrest would not affect the party's resolve.

"Time has already shown that the people cannot be intimidated and the party leadership, which recognises this, has become more resolute in wanting to carry on," he said, adding that action against the PBS had long been in the cards.

Mr. Kitingan, who is president of the PBS, was charged with awarding 5,000 acres (2,023 hectares) of timber land and two contracts totalling 11.98 million dollars (4.44 million U.S.) to his relatives in 1985. He was released after posting bail of 1.5 million dollars (555,000 U.S dollars).

Mr. Ongkili is deputy executive director of the Institute For Development Studies (IDS), a think-tank set up by the PBS which Dr. Mahathir has accused of fostering anti-federal feelings.

Mr. Kitingan's younger brother, Jeffrey, who is head of the IDS, is himself facing trial on corruption charges while four others were detained under the ISA in June last year.

Mr. Kitingan issued a statement late Saturday urging the people to remain calm.

He assured the people of Sabah that there was no cause for alarm because the laws of the country would uphold justice.

Life in the state capital appeared to go on as normal despite presistent rumours of more arrests to be made.

A PBS official said party members felt the federal government was taking revenge for the PBS's switching its allegiance to Dr. Mahathir's archrival, former trade minister Tengku Razaleigh Hamzah.

Kota Kinabalu Police Chief Kamaruddin Alias said the security situation was normal.

"There is no need to worry," he said, adding that no untoward incident was reported in the last 24 hours.

Mr. Kamaruddin said road blocks were set up following reports that pirates had hijacked a Filipino boat into Sabah waters.

Meanwhile, the Sabah Support Group for ISA Detainees Saturday called for the immediate and unconditional release of Mr. Ongkili and four other ISA detainees in the state.

The group also urged the public to register their protest by sending letters, telegrams, telexes or fascilime messages to Dr. Mahathir, who is also the home minister and inspector general of police.

Police Detonate Bomb Delivered to Opposition Head

BK0501101491 Kuala Lumpur BERNAMA in English 0941 GMT 5 Jan 91

[Text] Kuala Lumpur, Jan 5 (OANA-BERNAMA)—Police in north-western Pulau Pinang state, exploded a bomb which was delivered to the family of opposition leader Lim Kit Siang at his residence in the state's capital, Georgetown, Saturday. Police said the box-like bomb, wrapped in Chinese newspapers, was believed to have been delivered to the house between 6 AM and 9 AM (local time).

An unidentified man telephoned the house at about 9 AM, informing the politician's wife, Mrs Lim, of a parcel at the front gate and told her to collect it. Police added that the caller told her that the parcel contained a remote control bomb.

When the man demanded cash and jewellery from her, Mrs. Lim put the phone down and told her daughter, Hui Ying to call her father who was in Kuala Lumpur, attending the Democratic Action Party (DAP) congress. Lim Kit Siang is the secretary-general of DAP, an opposition party.

His daughter was then told to call the police. The bomb was exploded at noon by a bomb detection robot. Police said initial investigation revealed that it was an attempted extortion. Police believed there was no political motive as the caller demanded for cash and jewellery from Mrs. Lim.

Minister Views Contingency Plan for Haj Pilgrims

BK0501073791 Kuala Lumpur International Service in English 0600 GMT 5 Jan 91

[Text] The government has made contingency plans for Malaysian pilgrims in the event of war in the Gulf during the coming haj season. The Deputy Prime Minister Mr. Ghafar Baba said Malaysian pilgrims need not worry as the government will always ensure their safety. He said the government will not leave to the Malaysians still in the Gulf region to decide whether or not to leave for home.

The Malaysians involved students in the Gulf states are safe. [sentence as heard]

Sri Lankan Envoy: Weapons Bought in Thailand

BK0701085391 Kuala Lumpur BERNAMA in English 0409 GMT 7 Jan 91

[Text] Kuala Lumpur, Jan 7 (OANA-BERNAMA)—The Sri Lankan High Commission here believes the arms seized off northern Pulau Pinang island recently were bought in Thailand.

A senior official, who declined to be identified, said Sunday this was the outcome of initial investigations after Malaysian customs officials seized the M [Malaysian] $1.5 million (U.S. $557,000) arms cache and detained 33 Sri Lankans three weeks ago.

He added the high commission was trying to identify others involved in the attempt to smuggle the arms to Sri Lankan guerillas.

He said the high commission was liaising with the Foreign Ministry in Colombo.

Authorities in Colombo are waiting to question the Sri Lankans who are expected to be deported soon.

The weapons, including mortars and homing devices, were about to be transferred to a Sri Lankan-bound cargo vessel off Pulau Pinang when the customs raiding party appeared.

The 33 Sri Lankans in three speedboats were detained and the arms seized.

The leader of the group is expected to be prosecuted while the others will be deported soon.

Customs officials hoped to determine with the assistance of their Thai counterparts and police if sympathisers of Tamil Tigers operating in Thailand were planning to ship more arms to Sri Lanka through Malaysian waters.

The arms cache seizure, the biggest in the country, has raised questions in Colombo and here how the Sri Lankans had obtained funds to buy the weapons.

However, the high commission official said it was not difficult for the Tamil Tigers to obtain money from many of its sympathisers residing in several countries.

The Liberation Tigers of Tamil Eelam or Tamil Tigers is one of the militant armed groups fighting for an autonomous Tamil state in north and eastern Sri Lanka.

Burmese Nationals Arrested for Illegal Entry

BK0601094291 Kuala Lumpur International Service in English 0600 GMT 6 Jan 91

[Text] The antismuggling units of Kedah, Perlis, and northern Malaysia detained four persons believed to be Myanmar [Burma] nationals for entering the country illegally at roadblocks between Kangar and Padang Besar, Perlis, yesterday. The unit commander said the four, including a woman and two children, were believed to have entered the country for the purpose of begging. He said none of them had any travel document. He said the four had been handed over to the Perlis Immigration Department for further action.

Singapore

Lee Kuan Yew Given Official Consultative Post

BK0501144091 Hong Kong AFP in English 0827 GMT 5 Jan 91

[Text] Singapore, Jan 5 (AFP)—Former Prime Minister Lee Kuan Yew has been assigned the responsibility of advising ministers on any matters under their charge, according to a government gazette.

The gazette, released Friday, added that Prime Minister Goh Chok Tong has designated Mr. Lee as a senior minister in the Prime Minister's Office from November 29, a day after he stepped aside for Mr. Goh to succeed him as Singapore's second prime minister in 31 years. It said that the appointment was made under the Republic's Constitution.

Malaysian Minister Discusses Trade Bloc

BK0501094191 Kuala Lumpur BERNAMA in English 0839 GMT 5 Jan 91

[Text] Singapore, Jan 5 (OANA-BERNAMA)—Malaysian Minister of International Trade and Industry Rafidah Aziz, arrived here Saturday on the first leg of a tour of the ASEAN countries to sound out Malaysia's proposal for the creation of an Asia-Pacific trade bloc.

Rafidah, who will be in the republic for three days, is scheduled to call on Prime Minister Goh Chok Tong.

She has called on deputy prime minister and minister for trade and industry, Brigadier-General (Reservist) Lee Hsien Loong, and Foreign Affairs Minister Wong Kan Seng.

The idea of the trade bloc was mooted by Malaysian Prime Minister Dr. Mahathir Mohamed after a ministerial conference of the General Agreement on Tariffs and Trade (GATT) ended without agreement in Brussels because of disputes over farm subsidies.

Dr. Mahathir has written to the heads of government in ASEAN explaining his proposal for a trade bloc.

After Singapore, Rafidah will visit Indonesia and later the Philippines, Thailand and Brunei Darussalam.

Malaysian Trade Proposal Supported

BK0701101091 Kuala Lumpur BERNAMA in English 0804 GMT 7 Jan 91

[Text] Singapore, Jan 7 (OANA/BERNAMA)—Singapore supports Malaysia's proposal for the setting up of an East Asian Economic Grouping (EAEG), Prime Minister Goh Chok Tong has told visiting Malaysian International Trade and Industry Minister Rafidah Aziz Monday. After briefing Goh here on the proposal, she later told reporters that Goh "supports and encourages the proposal".

She said Goh agreed that ASEAN officials should meet soon to fine-tune the proposal and work out how such a grouping could be evolved. She said Goh will be writing to his Malaysian counterpart Dr. Mahathir Mohamed to convey his support of the proposal first mooted by the Malaysian leader.

During her three-day stay here to lobby Singapore's support for the proposal, she also held talks with Deputy Prime Minister and Minister of Trade and Industry, Brig.-Gen. (Res) [Reservists] Lee Hsien Loong and Foreign Minister Wong Kan Seng.

Dr. Mahathir's proposal was aimed at countering other trading blocs being formed in North America and Europe.

Last week the Singapore Minister of State (Trade and Industry) Mah Bow Tan had said that it would not be happy to join a trade bloc if the Uruguay Round of multi-lateral trade talks failed. However Rafidah said her meetings with Goh, Gen. Lee and Wong have been extremely useful and encouraging.

Singapore and Malaysia were not at variance on the need to consolidate cooperation in the East Asian region to make it an economic power in terms of trade and investment, she said. The proposed group would work within the principles of the General Agreement on Tariffs and Trade (GATT) and would avoid the creation of barriers to Third countries' imports and diversion of trade, she said.

Although there was no inclusion list, she said the six ASEAN countries, China, Japan, Taiwan, Hong Kong and South Korea would certainly be involved to join the grouping. She said Dr. Mahathir would explain the proposal to his Japanese counterpart Toshiki Kaifu who is scheduled to visit Malaysia next week. Malaysia was confident Japan would be interested in the grouping after Dr. Mahathir's explanation to Kaifu, she said.

Rafidah, who later left for Jakarta to explain the proposal to Indonesian leaders, said Malaysia wanted to get consensus among ASEAN countries first before proceeding further.

Cambodia

Heng Samrin, Chea Sim at National Day Rally

BK0501115291 Phnom Penh SPK in English 1111 GMT 5 Jan 91

[Excerpts] Phnom Penh SPK January 4 [date as received]—The 12th national day of the State of Cambodia (Jan. 7) was solemnly marked at a 40,000-strong meeting held in front of the former royal palace in Phnom Penh Saturday [5 January] afternoon.

In his commemorative speech, Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the Cambodian State Council, highly valued the great efforts of the cadres, Armed Forces and people for the cause of national revival and for the prevention of the return of the genocidal Pol Pot regime. [passage omitted]

Also present on the presidium of the meeting were Chea Sim, Politburo member of the party Central Committee, chairman of both the National Assembly and the National Council of the United Front for Defence and Construction of the Kampuchean Fatherland; Hun Sen, Politburo member of the party Central Committee and prime minister; and other senior party, state and government officials.

The meeting was also attended by members of the diplomatic corps in Cambodia.

Heng Samrin Speech

BK0601101691 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Jan 91

[Speech by Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee and chairman of the State of Cambodia's Council of State, at a meeting to mark the 12th anniversary of 7 January national day in Phnom Penh on 5 January—recorded]

[Text] Today is a most auspicious day. We are meeting here in a happy atmosphere to mark with our people throughout the country the 12th anniversary of the great and historic 7 January 1979 victory, the day when we liberated the country from the danger of the most brutal and cruel genocide in mankind's history. This genocide was caused by the clique of murderers of Pol Pot, Ieng Sary, and Khieu Samphan, who massacred their own nation. It was the day when the Cambodian people were reborn and received their genuine right to be masters of their beloved motherland. It was also the day when the People's Republic of Kampuchea, currently our glorious State of Cambodia, was historically proclaimed. [shout followed by chorus: "Long live the glorious State of Cambodia!"]

We mark the 12th anniversary of the 7 January great victory in a situation in which the entire Cambodian nation is becoming the master to assume revolutionary tasks and score successes worthy of pride in every field. Most outstanding is that over a year after the complete repatriation of Vietnamese volunteer troops at the end of September 1989, under the party's leadership, cadres, combatants, workers, employees, and our people throughout the country, have made all kinds of sacrifices and braved obstacles to overcome the most difficult phase and defeat the adventurous and blind military activities of the tripartite alliance, which boasted that it would discard us like a piece of paper and that the State of Cambodia would be toppled in a short time.

To this day, the enemies not only have failed to threaten us militarily and psychologically, but have also suffered casualties and material and moral losses in the face of counterattacks by our Armed Forces and people. [shout followed by chorus: "Long live the glorious Kampuchean People's Revolutionary Party!"]

Although we have not yet scored a decisive victory over the enemies, we have been able to assume the task to defend the motherland ourselves and safeguard social and national gains; our state authorities and Armed Forces are still firm. The situation on the battlefield in the past more than a year has increased the people's firm confidence in the leadership of the party and government of the State of Cambodia and in our own forces. Compared to the previous year, our forces have been further consolidated. The Armed Forces and entire people have further become masters in counterattacking the enemies to defend the motherland and daily life and ordinary social and national activities.

The truth of our strength, combined with the goodwill of peace and national reconciliation, have heightened the State of Cambodia's prestige in the international arena. The identity of the State of Cambodia is the decisive factor in solving the Cambodian problem. [shout followed by chorus: "Long live the glorious State of Cambodia!"]

From the tribune of this solemn meeting, on behalf of the party, state, and front, and in my own name, I would like to express sincere admiration for all Cambodian compatriots, combatants, cadres, workers, employees, peasants, intellectuals, monks, and Buddhist disciples, who have made wholehearted contributions to the cause of the motherland and the people. I would like to express respect and great gratitude to fallen and disabled cadres and combatants and families which have sacrificed fresh flesh and blood for the cause of the motherland's rebirth and so that the people could escape the threat of the genocidal regime.

I would like to convey fond sentiments to Cambodian compatriots abroad who have been paying attention to, turning to, and making contributions to assist the motherland. I would like to express sincere thanks to the comrades, ladies and gentlemen, representatives of the diplomatic corps and various international organizations, for bringing material and moral assistance and support to contribute to building our land. [applause]

Dear comrades and friends: During the last 12 years, the strategic maneuvers of the enemies and unfriendly forces have not changed. They have constantly tried to find every measure to topple the State of Cambodia's state authorities—the only forces that have effectively thwarted, over the past 12 years, the genocidal regime's attempts to return; safeguarded Cambodian social and national gains; and preserved the lives, property, interests, and rights and freedom of the Cambodian people. Although our people have already toppled the genocidal regime of Pol Pot, Ieng Sary, and Khieu Samphan, during the past 12 years, with backing from outside circles, the criminal and genocidal clique and its allies still breathe and continue to constantly harass our people's peaceful life. This has forced our people to take up arms and oppose this clique for a dignified life with freedom to defend their just and correct cause.

Our efforts and sacrifice over the past 12 years have shown the world that the State of Cambodia is a firm state which is effectively administering the land and people and that no reactionary forces can easily topple it. It is a force that has resolutely pledged to prevent the genocidal regime's return. We have set up establishments and fulfilled all the conditions required of a state, like other countries. In other words, we have a National Assembly elected by the people; a government, which is the executive body; and a judiciary body to represent and defend social justice. The people's state authorities have been established and their administrative quality has been constantly improved. The majority of state authorities in villages and communes have been able to assume the task of fighting the enemies and defending the people and providing necessities for the latter's daily life.

The ideal of the policies of the State of Cambodia's party and state is to serve the people and defend the people's interests in accordance with our ability and national customs. Core party cadres and all levels of state authorities and Armed Forces come from all strata of the people, including old revolutionaries, intellectuals, peasants, workers, ethnic minorities, and patriotic personalities who have suffered under the genocidal regime. The majority of them have developed from the movement to defend and build the motherland. They are the persons with patriotic sentiments and love for the nation and people, and who have paid attention to the people's interests and lives.

It is true that among our cadres, party members, and combatants, there is a small negative number. These people have changed themselves and caused mistrust among the people; however, our party and state are taking concrete measures to effectively stop them with the support and contribution of the people.

Apart from this, the State of Cambodia has officially declared Buddhism as the state's religion. Monk ordination has been widely opened. We have solemnly organized ceremonies to plant pipal trees, gifts from the Republic of India, so that Buddhists and the Cambodian people can practice their faith as they wish. Traditional festivals, such as the Pchum Ben, new year, boat race, moon festival, and so on, have been officially and joyfully celebrated. Other faiths, such as Islam and Christianity, and various associations have been allowed. Our regime has granted property rights to the people so that they can earn a living, build a familiy, and contribute to building the country.

For those compatriots who are living as refugees in various camps in Thailand, compatriots living abroad, including those who are serving the tripartite alliance, and who have voluntarily returned to live with society, they have been granted the right to be citizens like others. There has been no discrimination and no grudge-holding. We have expanded great national unity among the people and have got together as a great Cambodian family with the goal of advancing our motherland toward social progress, development, and prosperity. [shout followed by chorus: "Long live the glorious State of Cambodia!"]

Dear Comrades and friends: The past year, 1990, was a significant year. It was a year in which we had to assume all revolutionary tasks ourselves after all Vietnamese volunteer troops were withdrawn from Cambodia. Despite having to face many complicated difficulties—the results of the war waged by the enemies—and the consequences resulting from changes in Eastern Europe, the Cambodian revolution is still firm and is steadfastly advancing along the path the Cambodian people have already chosen. In particular, in the national defense sector, the combined forces of our Armed Forces and people have defeated the enemy's military illusions; sustained the military and security situation; and created conditions for other activities to proceed as usual. In the socioeconomic sector—this year is the last year of the first five-year socioeconomic plan from 1986-1990—we have scored satisfactory results. We have liberalized the economy, as set out by the second national conference of cadres. This has encouraged production in the four economic spearheads. As fas as foodstuffs are concerned, we nearly achieved our targets. In the aquatic product sector, administrative reforms were undertaken and resulted in a remarkable income. In the rubber sector, cultivated areas have been expanded and new plantations set up. Management, exploitation, and production still encounter some problems. We are taking steps to improve production modes.

We have made improvements in timber export and combined it with measures to preserve and safeguard natural resources. In industry and handicrafts, we have made improvements through the self- management policy aimed at encouraging localities and workers to promote production and contribute to producing goods to serve society. Attention has been paid to improving the quality of educational, cultural, and public health activities in order to raise the level of knowledge and living standards and provide better health care for the people.

In the diplomatic field, we have made efforts to get the international community to have a better understanding of our correct stance and genuine goodwill in a political solution to the Cambodian problem. For example, we decided to withdraw all Vietnamese volunteer troops from Cambodia 15 months ahead of schedule. We have proposed a cease-fire on the spot and an end to military aid. However, the other side and involved countries did not implement this; instead, they have intensified the dispatch of weapons and war materiel to the Pol Pot group and its allies.

After the framework document of the five permanent members of the UN Security Council and the decision to leave vacant the Cambodian seat in the United Nations, we have agreed to let the United Nations have a role in supervising the implementation of all agreements and the organization of elections in Cambodia. Although we control nearly 100 percent of the land and people, we have agreed to let the other side share half of the power with us in the Supreme National Council [SNC]. All these are great concessions of the State of Cambodia to quickly achieve an agreement to end the conflict in our country. However, the other side has found pretexts to prevent the SNC from functioning because of Samdech Sihanouk's issue. In fact, Samdech Sihanouk is outside the framework of the SNC due to his own fault.

In words, the other side talks about peace or sympathy for the Cambodian people. In practice, it has acted otherwise without any consideration for the people's suffering and the vital interests of the Cambodian people. These people only think of their own interests. In the past 12 years, they have never given our people an opportunity to live peacefully. We have made efforts to build but they have tried to destroy. We have made concessions and they constantly make demands to the point of even demanding that we commit suicide. They have attempted again to play with the life of the nation and our people with the hypocritical policy of the genocidal Pol Pot clique.

Thus, following the framework document of the five permanent members of the UN Security Council, the other side wants to topple us through a political solution by combining military, political, and diplomatic measures. It has intensified activities to attack and seize land and people to prepare for a political solution. Despite all of this, our government still adheres to a stance full of goodwill to solve the Cambodian problem.

Recently, we attended the meeting of the Supreme National Council at the request of the Paris conference cochairmen to discuss the 26 November draft agreement and accepted the majority of points of this draft agreement. But we cannot exceed our possibilities the way people want because the principled stance of the State of Cambodia is that in every political solution, the State of Cambodia's independence and sovereignty must be absolutely guaranteed and respected. The Cambodian people's right to self-determination and absolute respect for the UN Charter must be guaranteed, and especially the return of the genocidal Pol Pot regime must be absolutely prevented. This is because the Pol Pot genocide issue is the core problem of the Cambodian issue. Only by starting out from this truth can the issue be resolved; otherwise, the Cambodian problem will only become more complicated.

We accept the role of the United Nations to organize general, free, and proper elections; to supervise the implementation of agreements signed; to supervise the gathering of troops into small units having not less than 100 soldiers and control their weapons, left at their positions; and to supervise the withdrawal of all foreign forces from Cambodia and the non-return of these forces. We will not accept the disarming or dissolution of army units because we do not trust the Pol Pot group and its allies.

We propose that specific measures be taken to prevent the return of the genocidal regime. Cambodia's internal aspects relating to Cambodia's sovereignty should be left to the SNC to decide through talks and meetings. The draft agreement worked out by the major countries on 26 November 1990 must be improved with the participation of the State of Cambodia's SNC members.

It is true that we want to end this bloody war because war brings suffering and great destruction to the people and motherland. However, this war is forced upon us by the tripartite alliance. We have to take up arms and fight for the final goal, that is, for our people to live as masters of the motherland with genuine peace, to live with their families in peace and happiness, and to live without the threat of the genocidal Pol Pot regime.

We want a political solution, peace, and genuine national reconciliation and not a false peace which lasts for a year or two; we want long-lasting peace and national reconciliation without the threat of the genocidal regime. The current policy of Pol Pot has not changed; it remains the same as in the past. This policy is even more vengeful and cruel than before.

From this tribune, we appeal to the United Nations to go and examine the dictatorial administration of the Pol Pot group in all of its camps. This way, people will no longer be unclear about Pol Pot. In such a situation, only our current State of Cambodia regime has the ability to prevent the Pol Pot group from massacring the people again. The forces of Sihanouk and Son Sann are opportunist forces which have allied themselves to the Pol Pot forces for their own interests. These two forces cannot control Pol Pot. We absolutely will not let the events of 1975 be repeated. [shout followed by chorus: "Absolutely oppose the return of the genocidal Pol Pot regime!"]

Dear comrades and friends: The great victories we have scored in the past 12 years are the result of great sacrifices full of determination and a resolute, courageous, and tireless will of our cadres, combatants, and people throughout the country who have firmly united around the party and made efforts to lift their country from the destruction caused by the genocidal group of Pol Pot, Ieng Sary, and Khieu Samphan, in order to safeguard and develop our nation. All these victories cannot be separated from the assistance and support of friendly and progressive countries the world over, particularly the timely and effective assistance of friendly Vietnam, Laos, the Soviet Union, and all friendly countries.

I would like to take this opportunity to express on behalf of the party, government, and front, and in my own name, sincere and wholehearted admiration to cadres, party members, combatants, and people throughout the country for their contribution to quickly develop and advance our Angkor motherland. I would like to thank our Cambodian compatriots abroad who have provided assistance and contributed to building our motherland. I would also like to express profound gratitude to the parties, governments, and people of Vietnam, Laos, the Soviet Union, and friendly countries for their active assistance and support to the cause of the rebirth of our Cambodian people.

I would like to express profound thanks to heads of state and heads of governments of countries, political circles, lawyers, sociologists, scientists, correspondents, and various international organizations for their sympathy for the Cambodian people's just struggle and support for the national reconciliation policy of the State of Cambodia based on the principle of respect for the right to self-determination of the Cambodian people and respect for Cambodia's sovereignty, for their active denunciation of the genocidal Pol Pot criminals, and for their demand that this genocidal regime not return to Cambodia. [shout followed by chorus: "Long live the relations of solidarity among Cambodia, Vietnam, Laos, the Soviet Union, and friendly countries. May they last forever!"]

In the last 12 years, we have achieved all these victories. But we still have to overcome many more obstacles and difficulties. The struggle between us and the enemy continues and is getting more tense and complex because the Pol Pot-Sihanouk-Son Sann group and unfriendly forces have refused to abandon maneuvers attempting to topple our State of Cambodia through whatever means. But our just, correct, and reasonable struggle will certainly triumph. Our country will continue to constantly develop.

To win genuine peace and security for the country and people, past experience has clearly shown that only the unity of the great national united forces under the leadership of the party, government, and front can safeguard and defend the interests of the country and the people; only with the people themselves becoming masters of the nation's future and believing in their own forces and that no one else can replace them; and only with the resolute determination to maintain and preserve the current State of Cambodia can our nation and people survive and prosper. This is the only choice.

Although our regime has some weak points while the country is in a situation of peace and war at the same time, it is a regime which is genuinely and constantly loyal to the nation and people and is capable of preventing genocide from taking place again. The search for a political solution is still tense and complex because the enemies and unfriendly countries have refused to abandon strategic maneuvers to topple us. In this new situation, the enemies will make efforts to seize land and people through military means and interfere in our internal affairs through a political solution in order to move toward achieving their final goal of toppling our revolutionary state authorities.

Therefore, in the immediate future, the entire party, Armed Forces, and people should be resolute in fulfilling major tasks by expanding to the maximum the combined forces of the nation in order to create an advantage on the battlefield; struggle to preserve national sovereignty and prevent outside interference; and struggle for a political solution which ensures that Cambodia will be peaceful, independent, neutral, and nonaligned and without outside aggression and interference, and which will definitively eliminate the genocidal regime.

This dry season, we should be active in counterattacking the enemies and promoting the building of all types of forces to maintain and improve the situation on the battlefield to create conditions favorable to our people's struggle. We should be resolute in defending the state authorities and the people's lives by preserving our Armed Forces and not allowing anyone to disarm and dissolve them because these are the forces that have liberated the people from the genocidal threat and defended the people's rebirth over the last 12 years. Only the new government, set up after the general elections, can decide on the issue of Cambodia's Armed Forces in the future.

At all times, we should grasp the slogan: The rear battlefield is a firm base for the frontline battlefield and the frontline battlefield is the firm bastion for defending the rear battlefield. The people and masses should be urged to contribute to fighting and proselytizing the enemies, and this should be combined with the call on the people to implement the "three dont's and one do" movement. Mass movements must be urged to oppose any attempts to dissolve our Cambodian People's Armed Forces which pave the way for the Pol Pot clique to return militarily.

Mass agitation work should be vigorously promoted. State authorities in localities should be strengthened and expanded and should be aimed at rallying the united forces of the people and masses. We should take part in major campaigns, in particular the campaign to fight the enemies, the campign to fight negativism and corruption, the campaign to practice thrift and heighten [word indistinct] and social justice. The people's living standards should be improved. In the immediate future, the maximum should be done to eliminate the people's disappointment by correctly implementing the existing policies of the party and state. Cadres should be model citizens in their daily life as well as in their work in order to create a clean society. They should try to grasp and understand the thoughts and aspirations of the people and masses.

In the economy and daily life, efforts should be made to promote the implementation of our liberal economic policies and encourage local and foreign investment and production. Existing economic potential in the country should be exploited to the maximum. Efforts should be made to achieve the targets of major economic spearheads, particularly those of foodstuffs and rubber. Attention should be paid to managing the exploitation of forest and aquatic products. Thrift and opposition to negativism and corruption should be intensified. Work attitudes should be improved. Professional conscience in major service sectors should be heightened. Confidence in the economic sector should be increased. The role of the state economy should be constantly consolidated with the goal of increasing state income and ensuring price stability in the market. In the immediate future, efforts should be made to ensure daily needs, first of all of the Armed Forces, workers, and employees.

Now more than ever, cadres, party members, combatants, and people should heighten their fighting spirit to achieve the 1991 tasks. Compatriots inside and outside the country and those in refugee camps, please strive to do your utmost to contribute to rallying the entire nation intellectually and materially to build and advance our motherland toward social progress.

I appeal to parties involved in the Cambodian problem to make efforts to contribute to quickly achieving an appropriate and just political solution to the Cambodian people. If no agreement on a comprehensive political solution to the Cambodian people is reached in the near future, there should be patience and restraint to reduce the level of war, which is a source of danger for our people's lives.

I welcome the efforts to search for a political solution for Cambodia which correctly reflects the real situation in our country. This would contribute to peace, stability, and cooperation in Southeast Asia.

Long live the 7 January immortal spirit!

Long live the glorious State of Cambodia!

Resistance Captures Township in Oddar Meanchey

BK0501001691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jan 91

["Preliminary report on attack and liberation of the township of Chong Kal District in Oddar Meanchey Province"]

[Text] At 0530 on 4 January, our national resistance forces joined people, Cambodian soldiers, and officials forced by the Vietnamese enemies to serve them in attacking the township of Chong Kal District. After 20 minutes of battle, we destroyed and completely liberated the district township.

The Chong Kal District township located on Route 68 was an important strategic position of the Vietnamese enemies and puppets Hun Sen, Heng Samrin, and Chea Sim defending Samraong, the city of Oddar Meanchey Province

Voice of Khmer Reports Attack

BK0501073491 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 5 Jan 91

[Text] Reports reaching the Voice of the Khmer newsroom say 36 Vietnamese-Heng Samrin soldiers were killed and a number of others wounded in an attack against a position in Chong Kal District in Oddar Meanchey Province.

The general staff of the National Army of Independent Cambodia [NAIC] reports that on 4 January 1991 at 0415, NAIC combatants from the 5th Brigade attacked and seized a position of the Vietnamese-Heng Samrin troops in Chong Kal District, Oddar Meanchey Province. In the attack, 36 enemy soldiers were killed and a number of others wounded. NAIC combatants seized three DK-75 guns, two DK- 82's, four M-80's, 20 B-40's, 15 B-41's, 45 AK-47's, a AK-57, and seven motorcycles; and destroyed five motor vehicles, two tractors, two DK-82 guns, two M-80's, two ammunition depots, three buildings, and 47 army shelters.

Radio Urges Battambang Town Residents To Fight

BK0601044291 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 Jan 91

[Unattributed commentary: "The Residents in Battambang Town Should Get Up To Fight the Race-Exterminating Aggressor Vietnamese Bandits and the Cruel Traitorous Puppet Leaders, Who Ruin the Nation, To Liberate the Province and its Town and To Restore Peace There"]

[Text] All the beloved mothers, fathers, and officials in the Vietnamese administration in Battambang town. You are invited to move out of the town to avoid life-threatening fighting between the national resistance forces and the race-exterminating aggressor Vietnamese bandits and their puppets Hun Sen, Heng Samrin, and Chea Sim is becoming more and more vigorous. You already see and hear this every day. Therefore, you should escape from the war as quickly as possible. You should hurry up and crush the Vietnamese enemies and destroy their offices, warehouses, and war equipment in the town.

You should unite to attack and completely decimate the cruel traitorous puppet leaders in the town who sell out the nation. The Vietnamese enemies and traitorous puppet leaders have carried on the war of aggression against Cambodia for 12 years so far. The Vietnamese enemies and puppet leaders Hun Sen, Heng Samrin, and Chea Sim are continuing the war regardless of significant UN documents for ending the race-exterminating war of aggression against Cambodia. They never want peace. The Vietnamese enemies are the real aggressors, while the puppets are their cheapest lackeys. It has been the Vietnamese enemies and their lackey puppets who have caused the Cambodian people to suffer for 12 years, thus far. Therefore, all of you in the provincial town must attack the race-exterminating enemy Vietnamese and the cruel puppet leaders, contributing to an early liberation of Battambang town and Battambang Province.

Indonesia

Alatas Reiterates Offer To Mediate Gulf Crisis

BK0401135191 Jakarta ANTARA in English 0819 GMT 4 Jan 91

[Excerpts] Jakarta, Jan 4 (OANA-ANTARA)—The ambassadors of Iraq and Kuwait to Indonesia, respectively Zaki Abdulhamid al-Habba and Khalifa al-Musallam hope Indonesia to mediate [as received] a settlement of the Gulf crisis. [passage omitted]

Foreign Minister Ali Alatas, on separate occasion, said neither the Governments of Iraq nor Kuwait have officially requested Indonesia to act as a mediator.

He is of the view that it should be checked first whether the wish expressed by the two ambassadors is an official request of their governments.

Indonesia in principle is willing to mediate if needed by the conflicting countries, according to Alatas.

Following the talks with al-Habba, the leaders of MUI [Indonesian Council of Ulemas], DMI [Islamic Student Council] and IPHI [expansion unknown] held a meeting with Kuwaiti Ambassador Khalifa al-Mussalam at the

Embassy of Kuwait to present a copy of the Indonesian Muslims's statement calling for peace in the Gulf.

The Kuwaiti ambassador said his country does not want a war either, and appreciates the Indonesian Muslims for helping look for a peaceful solution.

Asked on a possible dialogue between Iraq and Kuwait, the ambassador said it needs a third party to do that. Indonesia has the possibility to play the role because of its acceptable position as the largest Muslim populated country, he added.

The Indonesian Muslim leaders are also scheduled to meet the ambassadors of Saudi Arabia (on Friday, 4 January) and the United States (on Tuesday 8 January) to hold talks and present the Muslims' statement of peace.

Government, France May Consult SRV on Cambodia

BK0401153691 Hong Kong AFP in English 1220 GMT 4 Dec 91

[Text] Jakarta, Jan 4 (AFP)—Indonesia and France are considering discussing the Cambodian question with Vietnam ahead of a new round of talks in Paris, Indonesian Foreign Minister Ali Alatas said.

Indonesia, which co-chairs the Paris International Conferencem on Cambodia (PICC) with France, had raised the idea with French Foreign Minister Roland Dumas but nothing was fixed, he told a news conference here late Thursday.

Mr. Alatas, who was leaving Friday for the United Nations to chair a disarmament conference until January 18, did not say whether he expected to visit Vietnam with his French counterpart.

"We agreed we should start thinking about talking to neighbours of Cambodia, especially Vietnam," he said.

The idea was raised after the December meeting with Cambodia's Supreme National Council (SNC) in Paris, he said.

The talks could also involve Thailand and Laos, an Indonesian diplomatic source said.

Western diplomatic sources said a meeting between Mr. Alatas and Mr. Dumas in New York and discussions in Paris on a possible visit to Vietnam and Thailand could not be ruled out.

Formed last year under a UN peace plan, the SNC comprises 12 seats—six from Phnom Penh and two each from the three factions in the guerrilla coalition fighting the Hanoi-backed government in Cambodia.

Indonesia was also agreeable to Cambodia, Laos and Vietnam joining the Association of Southeast Asian Nations (ASEAN) as long as other ASEAN members consent, Mr. Alatas said.

ASEAN—grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—was not "the exclusivity of (those) six countries," he said.

"But we need the consensus of all the ASEAN members," he said, without outlining the views of the other five member nations.

The other ASEAN members are involved in efforts to resolve the Cambodian conflict and do not recognise the Phnom Penh government and have observed an embargo against Vietnam since 1979.

The question of the three countries joining ASEAN was raised in February 1989, and in November last year during a visit to Vietnam President Suharto assured Hanoi of Indonesia's support in the matter.

Military Action With Papua New Guinea Denied

BK0601065891 Jakarta Domestic Service in Indonesian 0000 GMT 6 Jan 91

[Text] The Foreign Ministry has strongly refuted reports stating that Indonesia and Papua New Guinea are contemplating a joint military operation against a group known as the Bougainville Revolutionary Army, BLA, [as heard] in Bougainville island, Papua New Guinea.

The press statement, which was issued by the Foreign Ministry in Jakarta yesterday, stated that the news released by the BLA and which was carried by the (?REAL AGE), THE CANBERRA TIMES, and THE MORNING HERALD newspapers on 29 December last year was incorrect and unfounded and was merely an act of disinformation.

The Indonesian Government, according to the principles of Bandung and the Nonaligned Movement, does not wish to interfere in the domestic issues of another country. The Indonesia-Papua New Guinea bilateral cooperation is developing satisfactorily in accordance with the spirit of friendship and the bilateral cooperation agreement which was signed by the two countries on 27 October 1986. The basic border policy agreement between Indonesia and Papua New Guinea was signed on 11 April 1990.

Defense Minister Lectures on Electoral System

BK0701012791 Jakarta Domestic Service in Indonesian 0000 GMT 7 Jan 91

[Text] Defense and Security Minister L.B. Murdani has stated that arguments over a district electoral system can cause endless polemics. As population distribution and the level of development of various regions in the country are not even, a district electoral system can lead to complicated arguments and counterarguments.

Giving a lecture before delegates to the national working meeting of the United Development Party [PPP] in Jakarta yesterday, the defense and security minister stressed that if a district representation was determined by its population, a majority of legislative seats would be held by representatives of more populous districts. According to L.B. Murdani, this will lead not only to a discrepancy in representation, but also a side effect: that is, majority-minority issues based on regionalism.

Touching on the existence of the PPP, he reminded the PPP not to care about the physical dimension of its organization compared with that of other sociopolitical organizations. What the PPP needs to do is to promote the quality of nationalism. For this end, the party needs to have solid self-reliance not only as an organization, but also as a national moral force. According to Defense and Security Minister L.B. Murdani, the PPP must therefore have a great spirit and a broad vision of nationalism, as well as be able to become an agent of development to create conscious citizens.

Alatas Departs for Nuclear Test Ban Meeting

BK0501081091 Jakarta ANTARA in English 0720 GMT 5 Jan 91

[Text] New York, Jan 5 (OANA-ANTARA)—Indonesian Foreign Minister Ali Alatas has been tipped as the would-be chairman of the two-week UN-sponsored conference on the ban of the underground nuclear tests due to take place at the UN headquarters here on Monday.

Diplomatic circles said here Saturday that Minister Alatas was the right candidate to chair the conference for his wide experiences in another UN-sponsored conference on disarmaments in New York and Geneva and other international events.

In addition, they said, Indonesia is also one of the six initiators on the changing of the partial test ban treaty into a comprehensive test ban treaty.

The concept was introduced by Mexico in 1985 and supported by Indonesia, Peru, Sri Lanka, Venezuela, and Yugoslavia, which proposed a draft resolution on that matter. Since then, the concept has been included in the UN agenda for discussion at the UN General Assembly.

The partial test ban treaty, signed by the United States, Britain and the Soviet Union in Moscow in 1963, bans all nuclear tests both submarine nuclear tests as well as in the air/atmosphere, but not included underground tests.

Minister Alatas left Jakarta for New York to attend the conference on Friday.

Before his departure for New York, Minister Alatas said that the UN-sponsored conference on the ban of underground nuclear tests, would be a tough one, as the big powers were still questioning the way and the opportune time the ban would become effective.

Suharto Meets Outgoing Phillipine Forces Chief

BK0501093691 Jakarta Domestic Service in Indonesian 0700 GMT 5 Jan 91

[Text] President Suharto hopes that the Philippine people will be able to solve their defense and security, economic, and political problems, because the stability of that country is important to the other ASEAN member countries. The president's hope was disclosed by General Renato de Villa, Philippine Armed Forces commander, after he paid a courtesy call on the president at the Cendana Road presidential residence today.

Gen. de Villa noted that the security situation in his country had improved considerably. The Philippine Armed Forces commander paid the courtesy call on President Suharto because he will retire soon, and it is a tradition for ASEAN armed forces commanders to meet other ASEAN heads of state just after they assume their post and before they retire.

During his meeting with President Suharto, Gen. de Villa conveyed Philippine President Corazon Aquino's greetings to the president. Gen. de Villa will soon be replaced by Major General Rodolfo Biazon as the Philippine Armed Forces commander.

Israeli Action Against Palestinians Condemned

BK0601071291 Jakarta Domestic Service in Indonesian 0000 GMT 6 Jan 91

[Text] Indonesia has condemned the Israeli troops' action against Palestinian demonstrators on 29 September last year in the Gaza strip, where five Palestinians were killed. The Indonesian Foreign Ministry's press statement stated that in the incident 250 Palestinians were injured and 100 of them were hospitalized at Camp (Wajieh).

The Israeli troops' action indicated that Israel has constantly violated the 1949 Geneva Convention and simultaneously violated the UN resolution. In this connection, Indonesia urges all countries to make greater efforts toward providing international protection for Palestine and hold an international conference to seek a comprehensive settlement to the Arab-Israeli conflict.

Philippines

Creation of Gulf Contingency Task Forces Ordered

BK0501103791 Hong Kong AFP in English 1020 GMT 5 Dec 91

[Text] Manila, Jan 5 (AFP)—Philippine President Corazon Aquino said she ordered her officials Saturday to create task forces to deal with "contingencies" in case of war in the Gulf.

Mrs. Aquino said she had told the executive secretary to set up "presidential task forces on food, fuel, foreign exchange, fiscal reforms, and on freedom and security."

"These task forces shall be empowered by appropriate administrative orders so that we can mobilize all of the resources of government, for the purpose of responding to the contingencies arising from the Gulf crisis," she said.

The United Nations has set a January 15 deadline for Iraq to withdraw from Kuwait after which force may be used. Iraq invaded the emirate on August 2 last year.

Her press secretary had been ordered to tap government and private media networks to ensure "the widest possible dissemination of information regarding contingency measures to be undertaken in all of the critical areas of concern," she said.

She is scheduled to meet a bipartisan security council Friday to discuss the Gulf crisis.

Labor Secretary Departs for Saudi Arabia 6 Jan

HK0601070691 Hong Kong AFP in English 0649 GMT 6 Jan 91

[Text] Manila, Jan 6 (AFP)—Philippine Labor Secretary Ruben Torres left for Saudi Arabia on Sunday to review Riyadh's evacuation plans for tens of thousands of Filipinos working in the Kingdom should war break out between Iraq and U.S.-led forces.

He told reporters shortly before his departure that he would deliver a letter from President Corazon Aquino to King Fahd, which he said expressed her concern for the safety of the 391,000 Filipino workers in the Kingdom.

Manila has earlier ruled out their repatriation, citing insufficient resources.

The current arrangement with the Saudi Government called for the evacuation of Asians working in the region bordering Kuwait and Iraq, including 90,000 Filipinos, to areas beyond the reach of Iraqi missiles, Mr. Torres said.

"The southern region is out of range of the Iraqi missiles and is relatively safe from the Gulf conflict," he added.

He ruled out an immediate evacuation, and said Manila and Riyadh would wait for signals that war was imminent before companies which employ the foreign workers are advised to provide land transport for their workers.

The evacuation plan would take from four to seven days to carry out, he added.

Mr. Torres said he hoped the scheduled meeting in Geneva next week between Iraqi Foreign Minister Tariq 'Aziz and U.S. Secretary of State James Baker would help avert war.

Delegation To Visit Oman, Qatar

HK0701095591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Jan 91

[Text] A group of Filipinos is presently in the Middle East to review plans for the Filipinos there in the event war breaks out in the region. The group, headed by Labor Secretary Ruben Torres, left yesterday for Saudi Arabia.

In his pre-departute statement, Secretary Torres said he will deliver a letter from President Aquino to Saudi King Fahd. The letter allegedly expresses President Aquino's appeal to the Saudi Government to assist in the evacuation of the 300,000 Filipinos there if situation in the Gulf worsens. From Saudi Arabia, the group will go to Oman and Qatar to assess the situation regarding about 100,000 Filipinos there.

Iraqi Consul: Iraq Ready To Face Agression

HK0501022791 Quezon City Radyo ng Bayan in Tagalog 0150 GMT 5 Jan 91

[Interview with Iraqi Consul General Mufat al-'Ani by unidentified correspondent; date and place not given—live or recorded; in English; monitored in progress]

[Excerpt] ... [Correspondent] ...because the deadline set by the United Nation's multinational force is January 15, what is the stand of your government on this, sir?

[Al-'Ani] Well, actually I will tell you something. We, Iraq, have no difference as between the 15th, the 16th, or 10th, or whatever. Principally, we have been expecting the agression of the Americans since August. So, this date, 15th, will do nothing. Will do no difference for us. We are ready to confront any aggression which could be launched against us.

[Correspondent] I would like to go to another subject matter with your permission.

[Al-'Ani] Yes.

[Correspondent] We had a written and a verbal invitation for our government radio to have a possible interview with his excellency President Saddam Hussayn. May we know the latest on this, sir.

[Al-'Ani] Well, we have tried and we send your desire to the government in Baghdad, and we are still waiting for the answer. I appreciate your patience because you have to understand that our president is so busy these days. It is not easy for him to respond to all the demands coming from various countries, various TV stations, radio stations, newspapers, correspondents. So, it would be appreciated if you understand this position.

[Correspondent] I see. It is very kind of you, sir, to at least do something about this. But may we know from you whether our letter has been faxed or relayed to President Husayn?

[Al-'Ani] You asked me this one before and I told you that we already sent your desire to the president's office.

[Correspondent] We will be waiting, sir. We understand very, very well, we understand fully the situation that his excellency is very busy at the moment because of the situation going on at the Gulf. But we will be very patiently waiting because I know that you are doing something about this. Our attention here, our objective here is for the whole world, through this broadcast and we can make the dissemination, for the entire world to hear your president's voice and his reasons, his objectives, and his specifications of his act.

[Al-'Ani] Well, we are doing our best for this and we are trying to, you know, convince the people in Baghdad for this. You know, the embassy has no right to decide this. It is the authorities in Baghdad.

[Correspondent] Okay. There are many Iraqis in the Philippines; students or residents or one way or the other. You might want to address them, Mr. Consul, in your own language or in English. Please feel free, as you know this is a government radio and we are disseminating this nationwide. Go ahead, sir.

[Al-'Ani] Well thank you, thank you for this opportunity. I would tell our fellow citizens residing in the Philippines or students to be united with their government, with their people, with their families in Iraq to oppose any aggression against our country, our families, and to be aware of every detail of the country's situation in order to live the situation here in the Philippines.

[Correspondent] Mr. Consul, would you like to address them in your own language, sir? Please feel free. Go ahead.

[Al-'Ani] Thank you so much. [passage in Arabic omitted]

2d Medical Group Prepares for Saudi Dispatch

HK0501015891 Manila Far East Broadcasting Company in Tagalog 0100 GMT 5 Jan 90

[Text] The government is set to send a second batch of doctors, nurses, and paramedics to Saudi Arabia if war erupts in the Gulf. According to Antonio Periquet, the house undersecretary for hospitals, 100 volunteers will be chosen among the 1,000 applicants. The first batch of 220 medical staff left for Saudi Arabia on 15 December and are now stationed at five military hospitals, about 200 to 300 kms away from the Iraq-Saudi border. The medical volunteers will be granted honorariums by the government based on their professional background. The doctors will receive P [peso] 12,000 each month; the nurses, P7,500-8,000 per month; and the paramedics, including the midwives, will receive P5,000. The second batch will leave by the third week of January and will stay there from three to six months, after which they may opt to remain and apply for jobs in other Saudi Arabian hospitals.

Manglapus Remarks on U.S. Aid, Bases Use

HK0701052791 Manila PHILIPPINE DAILY INQUIRER in English 7 Jan 91 p 7

[By Cynthia D. Balana]

[Text] The Philippines will no longer accept any form of U.S. aid that will form part of the compensation package for the continued U.S. use of military bases here, Foreign Secretary Raul Manglapus said.

"Our position is that the form of aid that we have been getting should not be linked to the bases package. We should have a package that is directly related to their use of these facilities," Manglapus told diplomatic reports.

Manglapus said any additional U.S. aid program should be over and above the payment to be agreed upon by both sides when Pilippine and American negotiators resume their talks tomorrow on the future of the Clark air base, Subic naval station and four smaller facilities.

The RP [Republic of the Philippines]-U.S. Military Bases Agreement [MBA] expires this September.

The 1988 Manglapus-Shultz agreement pegged the compensation at $481 million yearly for the use of the six military facilities. More than half of this amount come in the form of aid called the Economic Support Fund (ESF).

The U.S. considers the amount as "sufficient" enough, and a departure from this figure under a future MBA would have to be an incremental, rather than a drastic increase.

But Manglapus said the Philippine panel will refuse the incorporation of the ESF to any future bases compensation package.

"That is something that we are not contemplating as an integral element of the compensation. There are may forms of aid that we've been getting from many countries and these are forms of assistance that are normal and worldwide," Manglapus said.

Asked what would be an acceptable amount for both parties, Manglapus said that while no figure has been mentioned by both parties so far, definitely, this will not be a "real estate transaction."

The foreign secretary also said that the term "bases rental" was unacceptable to the U.S. panel and in its stead, the term "consideration" may be adopted as a compromise.

According to a Pentagon study, the U.S. does not believe in paying "rentals" for the use of the bases belonging to its allies and preferred the term "security assistance," a mixture of military and economic aid, as "help" extended to the ally concerned for allowing the U.S. use its bases.

"Paying rent to a U.S. ally is not done anywhere else in the world. There is no need to set a precedent in this (Philippine) case," the study said.

The U.S. panel led by Richard Armitage will arrive tomorrow morning at the Ninoy Aquino International Airport aboard a special aircraft for the resumption of the talks.

This week's agenda will be the unresolved issues on the status of forces agreement (SOFA) or nonmilitary concerns on criminal jurisdiction, customs and immigration and quarantine. Also, the much-delayed issue of compensation will be discussed not necessarily in detail.

The U.S. has been saying that the bases are here principally for the protection of the U.S. interest, for mutual protection of both countries and for maintaining regional security.

Manglapus said that since countries in Southeast and Northeast Asia, particularly Japan, are directly benefitting from secured air and sealanes in the region, they, too, should be made to carry the burden imposed on the Philippines.

Any extension of the lease on the bases must be covered by a new treaty ratified by the Philippine Senate where opposition to the facilities is strong.

Aquino Confident of International Economic Support

HK0701110391 Manila Radio Veritas in Tagalog 0900 GMT 7 Jan 91

["Statement" by President Corazon Aquino, read by Press Secretary Tomas Buddy Gomez—live or recorded; in English]

[Text] The program we are pursuing for the attainment of sustained economic growth has for its priorities the alleviation of poverty through the creation of more job opportunities and the increase of productivity; the improvement of our investment climate; the provision of necessary infrastructure and basic services; to spur economic activity; the encouragement of agriculture and agri- based industries throughout the country; and the maintainance of peace, security, and order for livelihood to flourish.

The president has expressed confidence that our program will be supported by the international community and that we will succeed in pushing on with the economic recovery we all want.

The president cannot go into details regarding the position that our panel takes in the continuation of the talks on future RP [Republic of the Philippines]-U.S. relations. She can only assure the people that we have prepared and will go into the talks, as we had done before, with the national interest as the one guiding principle. The plans and contingency measures for dealing with all kinds of Gulf scenarios are in place and have been discussed and refined with the participation of the private sector. She will be exercising all the existing powers that she has, as may be necessary to meet the emergency. If Congress is agreeable, the president will endorse to them a proposed legislation which will further strengthen these existing powers for the duration of the emergency but not to extend beyond the adjournment of congress in June this year.

Finance Secretary Remarks on IMF Talks

HK0701052391 Manila MANILA BULLETIN (BUSINESS PAGE) in English 7 Jan 91 p 1

[Text] A team from the International Monetary Fund (IMF) arrives today to finalize terms for a $700 million loan package that will help the Philippines ride out the Gulf crisis.

An agreement with the IMF will clear the way for the Philippines to tap around $5 billion in loans and assistance that has been blocked until an accord with the IMF was reached, and cope with possible balance of payments difficulties, the National Economic and Development Authority said.

The IMF will want to see details of how the Philippines will cut its public sector deficit, which hit P [peso] 50 billion in 1990, against an initial target of P32 billion, officials said.

Finance Secretary Jesus Estanislao said on Friday that President Corazon Aquino had agreed to impose a 9.0 percent levey on imports, but a government spokesman told Reuters on Sunday that she had so far not signed the order.

The levy would raise P20 billion a year. The Congress has been reluctant to raise new taxes.

Estanislao told a news conference on December 26 he had reached broad agreement during talks in Washington with the IMF in December on an economic policy package that would be implemented in return for the loan.

The Philippines is among several countries identified by the World Bank as being the worst affected by the Gulf crisis and the sharp rise in world oil prices.

Estanislao said in December that an accord would enable the Philippines to hold a second pledging session with major western aid donors and Japan in Hong Kong on February 24-26 under the Philippine assistance program.

The Philippines will also discuss planned Japanese aid during a visit to Manila on January 16 of Japanese Premier Toshiki Kaifu.

The assistance programme was launched in 1989 to provide money to help underpin the Philippine economic recovery and safeguard democracy in the country. Major donors then pledged $3.5 billion.

EEC Grants P982-Million Development Fund

HK0501015591 Manila Far East Broadcasting Company in Tagalog 0100 GMT 5 Jan 91

[Text] The European Economic Community has approved a P [peso] 982-million grant for Philippines' rural development programs. According to Agriculture Undersecretary Carlos Fernandez, the projects to be funded are the earthquake rehabilitation program and the Philippine rural institutional strengthening program. Two more projects are also lined up for the EEC's approval by the middle of this year. These are the agricultural support services for small islands and the Camarines Norte agricultural program. Under the earthquake rehabilitation program, more than P700 million pesos will be absorbed by the rehabilitation of the Cordillera agriculture and part of Nueva Vizcaya and Buenguet. The amount will also be used in the reconstruction of hospitals in the region and the strengthening of the outreach services in Dagupan City, Nueva Ecija and Agoo, La Union which were severely ravaged by the earthquake.

Aquino Remarks on Agenda for Japan Chief's Visit

HK0401105591 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 4 Jan 91

[Text] The ties between the Philippines and Japan will be the main topic of discussion during the visit of Japanese Prime Minister Toshiki Kaifu. Tanny Rodriguez reports:

[Begin recording] President Aquino said the talks with Kaifu will focus on bilateral relations and mutual interests. Presidential spokesman Adolfo Azcuna said one of the topics to be discussed is the forthcoming second pledging session of the Philippine Assistance Program, in which the Japanese Government is the main donor among the developed countries. Azcuna said it is not certain whether there is a need to talk about the Philippines asking for more aid from Japan because it would be a lack of finesse to discuss this with a visiting state leader. Aid by Japan and the United States to countries severely affected by the Gulf crisis would be included in talks. [end recording]

Defense Secretary Belittles Coup Plot Report

HK2912063790 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 29 Dec 90

[Text] Defense Secretary Fidel Ramos belittled reports that rebel soldiers are planning a new coup between 28 December and 14 January. Ramos gave this reaction in connection with the newspaper report which stated that the Reform the Armed Forces-Young Officers Union will launch another coup to topple the government. The defense secretary told the media at Camp Aguinaldo yesterday that these reports are false and do not have sufficient evidence.

Meanwhile, in his year-end report to President Aquino, Ramos said the Defense Department hopes to establish strategic controls against security threats in 1991.

General Says Bicol Not Coup Staging Point

HK3112102390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Dec 90

[By Restie de Quiros]

[Text] Brigadier General Frediro Ruiz, Southern Luzon command [Solcom] chief, asserted that the Bicol region will not be the staging ground for another coup attempt by the ultra-rightist groups [URG], in their effort to topple the present government. Ruiz gave this assurance to Defense Secretary Fidel Ramos, who is visiting military units in remote places along with Undersecretary Leonardo Quisumbing and his staff. Ruiz is saddened by newspaper reports stating that Bicol will be used as a launching pad for another coup attempt by the rebel soldiers. The Solcom chief admitted however, that the URG's, particularly the Reform the Armed Forces Movement and the Young Officers Union, recruitment was intensified during the Noble uprising in Cagayan de Oro on 3 October. Ruiz said he knew they were recruiting members, but added that a plan to launch a coup there is a different matter.

Secretary Ramos praised the Solcom officials and members for their good services despite the shortage of logistics information, material, and staff. Ramos warned them of the incursion of hitmen from the nearby province of Samar. He reminded the command that the Armed Forces offensives will be launched after the cease-fire, and that the government's extensive rehabilitation projects may help drive away the Sparrows [communist rebels], forcing them to move to other places. It was reported that Ramos received a military intelligence report stating that the Sparrows are now hiding in Metro Manila.

Congressman: Declaration of Martial Law Possible

HK0501083091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Jan 91

[Italics denote passages in English]

[Text] President Cory Aquino may declare martial law if war breaks out in the Middle East, but she should not abuse it. This was stated by Congressman Gillego on the "Liberty in Action" program this morning, in relation to the granting of emergency powers to the president. Gillego explained that there are many limitations in the president's power even if she declares martial law, and this should be no cause for alarm. Here is part of Congressman Bonnie Gillego's statement:

[Begin recording] *Even if [changes thought]...on a worse case scenario where martial law would be imposed* we know that the Constitution *has already placed a lot of restraint upon the exercise of extraordinary powers on the part of the president.* So, maybe that is no longer needed, *because even with this grant of emergency powers, what is more important to me is perhaps the psychological build-up on the part of the executive department that we are behind all the measures that she might impose during the critical period of emergency.* [end recording]

Section 4, Article 18 of the Constitution states that should the president declare martial law, this should not last for over 90 days and the writ of habeas corpus should not be suspended. Within 88 hours after the president has declared martial law, she should inform the Congress, which will decide whether or not to support the martial law declaration in a special session.

New Public Works Secretary De Jesus Sworn In

HK0501015691 Manila Far East Broadcasting Company in Tagalog 0100 GMT 5 Jan 91

[Text] President Corazon Aquino formally swore into office Jose de Jesus as the new public works and highways secretary. De Jesus replaced controversial Fiorello Estuar. Prior to his new position, Secretary de Jesus was the chairman of the Presidential Task Force on Rehabilitation and Reconstruction. De Jesus vowed to implement the repair of roads and the continuous reconstruction of infrastures destroyed by the quake. There is enough in the fund for this, he said.

Army Chief Discloses Plans for High Morale

HK0701052391 Manila MANILA BULLETIN in English 7 Jan 91 p 16

[By Wilma Yamzon]

[Text] Maj. Gen. Guillermo Flores, Philippine Army chief, said yesterday that the Army will focus on achieving a high state of morale among troops to negate agitation and subversion.

In a speech before the Rotary Club in Makati, Flores said emphasis this year in the Army's operation is on looking after the needs of the men in the field.

He said a number of soldiers were misled in the military service by dissident soldiers, leading to coup attempts in the past.

"We have vigorously implemented programs which we feel would directly influence troop morale," the Army chief said.

He said the programs include the improvement of medical and dental services and the availability of more housing for soldiers.

He said the programs to uplift the condition of troops fall under the Army's short-term plan to make soldiers feel that they are not neglected.

At the same time, Flores said the Army will embark on a 12-year modernization and revitalization plan which includes force development and deployment and materiel acquisition, as well as the development of the reserve force.

He said the plans are related to the modernization programs of the Philippine Air Force and Philippine Navy to improve the capability of the government in fighting the insurgents.

"We have considered the capability of our government to provide financial support and put together our objectives," he said.

He said the Armed Forces of the Philippines is preparing for its new role in external defense after the insurgency problem.

"What we are looking at is a gradual transformation of the present ocunterinsurgency force structure into a lean, compact, and mobile army," he said.

Flores added that four more battalions are expected to be dissolved this year in line with streamlining the Army's operations.

Police Uncover NPA Plan To Kill Informers

HK0701052591 Manila MANILA BULLETIN in English 7 Jan 91 p 9

[Text] Balanga, Bataan—The Philippine National Police (PNP) said yesterday that it uncovered a plan by the New People's Army (NPA) to kill government informers and launch an attack on a police station in Bataan.

Lt. Col. Enrique B. Galang Jr., provincial director of the PNP for Bataan, said the plan was revealed by captured Norman Llanda, alias "Ka [comrade] Marvin" and "Ka Julius," suspected NPA Sparrow Unit leader, during a tactical interrogation at Camp Tolentino here.

Galang said PNP operatives, led by Maj. Domingo T. Inohaldo, nabbed Llanda with two other suspected communists, in a house owned allegedly by Eduardo Salvador, a former companion who surrendered last year, in barangay Townsite, Limay.

Llanda, Galang said, was wanted for the killing of a number of civilian and military personalities. He said warrants for his arrest were issued by the justice courts but eluded arrest until he and his companions were cornered by PNP operatives.

The Bataan PNP director said Llanda was a member of the NPA provincial special operations group in the province and the guerrilla unit led jointly by Ernesto Barcolla, alias "Ka Perto," and Rodrigo Perrera, alias "Ka Allen."

Llanda was reported to have told investigators that the liquidation and attack plans were to be carried out by communist terrorists in the first quarter of 1991.

He allegedly kept under wraps the identities of the target informers.

The suspected Sparrow leader said the informers provided the Armed Forces with tips that led to the capture, arrest, or killing of many communist terrorists.

Others gave up, he said, resulting in the weakening of the underground movement.

In a report to Brig. Gen. Manuel F. Bruan, regional director of the PNP for Central Luzon, Galang identified the two captured companions of Llanda as Victoriano R. Sevilla, alias "Ka Bastian," and Elmer Enriquez believed to be an NPA recruit.

The PNP operatives seized from Llanda, Sevilla, and Enriquez a .45 caliber pistol with one magazine of live ammunition, a .22 caliber revolver with six rounds of ammunition, and a fragmentation grenade.

Sevilla was one of five suspected NPA members acquitted of murder and frustrated murder charges in a decision promulgated recently by Judge Leticia S. Mariano de Guia of Branch 3 of the Bataan regional trial court.

They were captured and charged by the military with the ambush-killing of a PC [Police Constabulary] soldier and the wounding of five others in barangay Puting Buhangin, Orion, on Sept. 10,1987.

Cagayan Military Operations Result in Casualties

HK0701054591 Manila DIYARYO FILIPINO in Tagalog 7 Jan 91 pp 1, 2

[By Willie Dayrit and Bernard Opinaldo]

[Text] The usual thing that happens in Marag Valley in Cagayan is a civilian massacre and not a military rebel offensive. This is the complaint lodged by various sectoral leaders in the area. In this connection, the nongovernment organizations [NGO] asked the military to allow its members to enter Marag Valley in order to help the residents caught in the fight. Human Rights Commissioner Mary Concepcion Bautista formed a committee to probe the incident. She was saddened by the report, but said that she needs to listen to the military side.

Around 50 children and many other civilians were killed by the military in their offensive against the New People's Army in Marag Valley. This area is one of the insurgency hot spots in the surrounding provinces of Cagayan, Kalinga-Apayao, Abra, Mountain Province, Ifugao, Isabela, Nueva Vizcaya, and Qurino. Human rights advocates claim that the civilians are mainly affected by the military operations and not the insurgents.

The military began its operations in Marag Valley on 13 October and since then the place has been called a war zone. According to Philippine Army Brigadier General Homer Capulong, before they started the offensive in the area the residents were advised to evacuate. He said the military is not at fault because their decision to stay behind was a dangerous option.

Reports say that the soldiers burned the houses along the way after the set deadline for the evacuation. Houses belonging to the Isneg, Ibanang, and Agay minorities were burned. According to the NGO's, there are still 279 families in Marag Valley caught in the fight and they are in need of assistance. Marag Valley's economy has been paralyzed; it used to be an abundant source of vegetables and grains.

General Capulong reiterated that the military should not be blamed for the deaths of civilians because they did not heed the advice.

Rebels Burn Congresswoman's Sugar Plantation

HK0701021391 Manila Far East Broadcasting Company in Tagalog 0100 GMT 7 Jan 91

[Text] Communist rebels burned the sugar plantation of Congresswoman Hortensia Starke in the south of Negros Occidental last week. Camp Aguinaldo received a belated report yesterday saying that 50 armed New People's Army [NPA] men burned the sugar plantation at 1:00 am on 1 January in hacienda Bilo, Orong, Kabangkalan. The damage wrought is approximately 5 million pesos. Authorities claim that the motive behind it is the congresswoman's refusal to pay revolutionary taxes to the NPA and because she has her own private army. Starke is known for her anticommunist stance.

Police Arrest 'High-Ranking' NPA Official

HK0701094591.Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Jan 91

[By Restie de Quiros]

[Text] A high ranking CPP-NPA [Comunist Party of the Philippines-New People's Army] official has fallen into the hands of Philippine National Police [PNP] agents. The official is said to have been involved in several cases in Metro Manila and Mindanao, including the kidnap for ransom of Mr Noboyuki Wakaoji.

Based on a report received by PNP Director General Cesar Nazareno from Colonel Wilfredo Cruz, PNP security group commander, arrested was Florencio Montera alias Efren, Gladys, and Ryan, a leading member of the NPA General Command's National Special Operation Section, codenamed NSC. Montera, a cadre from Northern Mindanao, was promoted in 1985 to N-3 [expansion unknown] as the team leader of the special partisan operations team in west Manila. The suspect was cornered by operatives in Ninth Avenue, Cubao, Quezon City, last 4 January. It was learned from the report that the NSC, which is known as the Edgar Jopson Brigade, similar to the Alex Boncayao Brigade [ABB], and referred to as the national organ of the NPA, has no territorial limitations and could carry out its partisan operation freely or assist other ABB territorial regional armed groups.

In addition to the involvement in the kidnap of Wakaoji, a ranking executive of the Mitsui Corporation, a big Japanese firm in the country, the suspect was also involved in the commando attack on the U.S. communications facility on Mount Kabayaw, Sto. Tomas, Benguet, in April 1990. The group was also involved in the killing of two U.S. servicemen near Clark Air Base, 13 May.

The report stated that Montera's arrest was the result of an extensive intelligence operation launched by the military last year, codenamed Oplan [Operations Plan] Score Master. The arrest exposed the big sensational crimes operation carried out by the CPP-NPA mafia, codenamed Delta Force. It has been learned from the initial investigation that among the operations launched by the rebels under Delta Force was the Wakaoji project, an orchestrated kidnapping of a Japanese businessman. Montera also admitted that he was involved in the attempt to kill Malabon Mayor Ping Oreta and Captain Eduardo Mediavillo of the Western Police District and other crimes.

Gains Against NPA Reported in Ilocos, Cagayan

HK2612041390 Manila MANILA BULLETIN in English 26 Dec 90 p 13

[By Jun Guiang]

[Text] Laoag City—At least 56 New People's Army [NPA] rebels, including 10 top leaders in Ilocos Region and Cagayan Valley, surrendered to the government in the past 24 months, Army authorities here reported.

Army Col. Roberto Manlongat, chief of the 503rd infantry brigade based in Visaya, Vintar, Ilocos Norte, a declassified report during a meeting with members of the local media. [sentence as published]

He identified the top NPA surrenderees as Fernando Ubasa, alias "Ka [Comrade] Perry;" Marlo Tangonan, alias "Ka Bernan;" Charles Castillo, alias "Ka Quintin;" Alexander Bunay, alias "Ka Rufo/Wally;" Teresita Calixto, alias "Ka Sharon;" Evelyn Corpuz, alias "Ka Jojo/Cheda;" Bonifacio Lazo, alias "Ka Butch;" Josie Agustin, alias "Ka Jane;" and Rogelio Villanueva, alias "Ka Glady."

He said that Army troops also destroyed several rebel bases and seized substantial logistics, including P [peso] 2.3 million cash, sometime in February, 1989.

The number of NPA-affected barangays was reduced from 166 in June 1990, he said. The NPA armed strength had decreased from 251 to 69 during the same period, he added.

He said small tactical units were used in their military operations to mislead the enemy into confusion that resulted in misencounters among rebel forces.

The accomplishment, among other things, was the basis of the Army in recommending that the "NPA Northern Front Committee" is "conditionally cleared," Manlongat said. [sentence as published]

Communist Rebels Raid Surigao Logging Camp

HK3112133190 Manila Radio Veritas in Tagalog 1300 GMT 31 Dec 90

[Text] Communist rebels raided a logging camp in Surigao del Sur and burned 24 pieces of heavy machinery. Raided was the Surigao Development Corporation camp near the town of Katikman. The company allegedly refused to pay revolutionary tax to the rebels. Earlier, the rebels kidnapped an unspecified number of employees, but freed them after several hours. The raid occurred before the New Year cease-fire between the Armed Forces of the Philippines and the Communist Party of the Philippines-New People's Army-National Democratic Front took effect. Both sides successfully observed their Christmas cease-fire.

5 NPA Members Killed in Camp Attack

HK0701052191 Manila MANILA BULLETIN in English 7 Jan 91 pp 1, 21

[By Tony Rimando]

[Text] Pagadian City—Five members of the New People's Army (NPA) were killed, while a rebel commander was wounded and captured when Army soldiers of the 1st Infantry "Tabak" Division attacked last Saturday a rebel camp in a mountain village of Bonifacio town, Misamis Occidental.

Brig. Gen. Cesar Fortuno, division chief, said Sgt. Wilfrido Marcos was seriously wounded in the clash. In his report to Maj. Gen. Guillermo Flores, Army chief, Fortuno identified the captured rebel only as "Oscar." He was taken with Marcos to the Bonifacio Emergency Hospital.

Col. Romeo Padiernos, commander of the 101st Infantry Brigade, said the presence of the NPA camp in the forested area was reported by a Subano tribesman who saw a group of 60 heavily armed men around several [word indistinct] houses while he was hiking towards the barangay road.

Padiernos said the soldiers recovered three Armalite rifles from the slain rebels.

Meanwhile, in Dipolog City, 20 NPA members attacked last week a mountain sitio in Siocon town, Zamboanga del Norte, killing three farmers and wounding several others.

Slain were Lucilo Tislan, Dodong Midiales, and a certain Giinangag.

The wounded, including women and children, were taken to the Sicon Emergency Hospital.

The report said the rebels led by a certain "Commander Aguila" staged the raid on sitio Pampang in barangay Riconalla after the villagers allegedly stopped giving food and money to the dissidents.

Thailand

Foreign Minister Agrees to Review of Saudi Aid

BK0601150591 Bangkok THE NATION in English 6 Jan 91 p A1

[By Somphong Kittinaradon] [Text] Foreign Minister Athit Urairat has agreed that his proposal for the Royal Thai Air Force to send technicians to Saudi Arabia to help maintain its fleets of F-5E jet fighters must be processed through the National Security Council [NSC] and the Defence Council, informed sources told THE NATION yesterday.

Athit agreed to the process during his talks with Premier Chatchai Chunhawan on Friday evening. The premier stepped in to resolve the minister's row with Supreme Commander Gen Sunthon Khongsomphong who voiced displeasure over Athit's unilateral offer when he met with the premier on Friday morning.

Athit told the premier that he did not make any commitment when he broached the offer in talks with Saudi Arabian leaders during his recent, much-publicized tour of the Middle East.

Chatchai is expected to consult with the top brass during the Defence Council meeting tomorrow on the Gulf crisis. However, sources close to him said that the premier would not call a meeting of the NSC soon and that would in effect freeze Athit's move.

"There are two options to resolve the problem: processing it through the NSC which might reject the proposal or delaying the process by not calling a NSC meeting in the near future. The latter option will be tantamount to rejecting the offer," one source said.

The premier's aides said that the government should not send air force technicians to Saudi Arabia, a move which would engage Thailand in the conflict. Sor far, Thailand has supported the UN resolutions condemning Iraq for its invasion and occupation of Kuwait and its decision to impose economic sanctions on Iraq.

Officials Discuss Details of Evacuation Plan

BK0601032491 Bangkok THE NATION in English 6 Jan 91 p A2

[By Pawarat Sakuntanaga]

[Text] The government will evacuate more than 130,000 Thai workers in war-prone countries to safe places in the Middle East before the Jan 15 deadline. And they may be brought back home if a long and bloody war erupts, a senior foreign ministry official said.

Deputy Permanent Secretary for Foreign Affairs Pracha Khunakasem said in a taped television talk show on the government's evacuation plan to be aired on Channel 9 tonight that Thai workers in Saudi Arabia, Jordan, Iraq and Israel would be moved away from potential battle zones and wait for possible repatriation.

"We believe that a Gulf war, if there is one, will not last long. It could be 15 days or one month," he said.

Pracha said the Thai workers, once they were moved to evacuation centres to be set up in the four Middle East countries, could be flown back to Thailand at short notice if the situation called for repatriation.

At present, there are 130,000 Thai workers in Saudi Arabia and thousands of others in Jordan, Iraq and Israel.

The deputy permanent secretary said Thai workers in Saudi Arabia would be moved southwards away from the Saudi-Kuwait border, the likely theatre of war, while those in Jordan and Israel would be relocated near the Egyptian border and be moved across the border into Egypt if necessary. Thai workers in Iraq would be shifted to the Iraqi-Turkey border from where they could travel across to Turkey.

The evacuation centres in the four countries would be located in cities with an airport from which the workers could be airlifted when the need arose, he said.

Pracha said the evacuation plan would be carried out in phases starting a few days before the Jan 15 deadline when the US-led multinational force may resort to military means to drive out Iraqi troops from Kuwait.

Deputy Prime Minister Athit Kamlang-ek said in the same programme that the government had allocated Bt [baht] 587 million for the evacuation scheme. Of this, Bt50 million will be used for setting up evacuation centres in the four Gulf states.

He said a team of government officials would be sent to the four countries to supervise the setting up of these centres.

Deputy Interior Minister Watthana Atsawahem, in charge of labour affairs, told reporters after the taping of the programme that Foreign Minister Athit Urairat and himself had reached an understanding over their reported dispute on their roles in the evacuation plan.

The deputy interior minister said Athit had called him on the phone on Friday to seek a meeting to iron out their differences but he told him that that was not necessary.

"We will continue to closely work together for the well-being of Thai workers in the Middle East," he said.

Newspapers reported that Watthana was not happy with Athit who had recently visited Saudi Arabia where he met with leaders of Saudi Arabia and Kuwaiti government-in-exile because in so doing the foreign minister had "stolen the show."

"I will not interfere with the Foreign Ministry's policies and concentrate on labour affairs," he said. "I intend to travel to the Middle East to give Thai workers moral support."

Thai authorities plan to evacuate Thai workers in Iraq to Turkey and from there fly them home in case the Gulf war breaks out.

Chamlong Khrutkhunthot, the prime Minsiter's deputy secretary general on political affairs, said yesterday that Thai officials in the Middle East have always urged Thai workers in Iraq to return to Thailand in the face of a possible war in the Gulf and there are currently only 78 of them in that country.

Should the hostilities between Iraq and the US-led multinational force erupt, Chamlong said the workers there will be moved up north to Turkey and officials will arrange flights for them to Thailand.

Chamlong also serves as secretary to a joint committee on the evacuation of Thai workers during the Gulf crisis chaired by Deputy Prime Minister Athit.

If fighting breaks out, about 1,000 Thai workers in Israel will also be evacuated to Egypt as that country may enter the war with Iraq, he said.

As the number of Thai workers in Saudi Arabia is as large as 130,000, Chamlong said it is not possible to repatriate all of them home either by plane or by sea.

"Our policy is to evacuate those staying close to the war zones to safe places in the South of Saudi Arabia," said Chamlong.

Further on Gulf Evacuation Plan

BK0601033091 Bangkok BANGKOK POST in English 6 Jan 91 p 8

[Text] Even on paper, Thailand's plan to evacuate more than 90,000 workers in Saudi Arabia and neighbouring countries from the potential war zone appears colossal.

Much remains to be done as the January 15 deadline draws near for Iraq to withdraw all its forces from Kuwait or face the use of force by multinational forces led by the United States.

Thai officials in Bangkok and the Middle East have drafted a plan involving Iraq, Saudi Arabia, Bahrain, Qatar, Israel, Jordan and Kuwait.

According to Labour Department figures there are about 80,000 Thais to be moved from what is considered a potential war zone in Saudi Arabia, about 5,500 in Bahrain, 2,000 in Qatar, 2,000 in Israel, 200 in Jordan, 70 in Iraq and fewer than 20 in Kuwait.

The evacuation plan varies from country to country but should be fully implemented by January 12.

Thailand's plan is based on the worst case scenario: that war breaks out with full deployment of air and ground troops and the use of deadly chemical weapons.

The Cabinet has approved 587 million baht for the evacuation, with Prime Minister Chatchai Chunhawan authorised to order payment at his discretion.

An initial 87 million baht is supposed to have been ordered for Thai officials to pay for transport, communications equipment, deposits for camps, water tanks, and to buy water, food and medicines for camps in the respective countries.

The objective is to move Thais in danger zones to "safe" camp sites already designated with priority given to workers still in Iraq.

Next come workers in Saudi Arabia, Bahrain and Qatar followed by those in Israel and Jordan respectively.

Family members of Thai Embassy officials in these countries are to return to Thailand by Thursday but the officials are expected to remain.

Labour sources said that of the 139 Thais in Iraq, 69 have already obtained their visas to return home and are now gathered near the Jordanian border. This group poses no real problem for Thai authorities.

But about 70 Thais have chosen to remain with their Korean employers who have agreed to assist by preparing transport to get the workers out if war breaks.

Thai officials in Iraq are still trying to persuade the 70 to leave the country by Thursday [10 January]—one day after scheuled peace talks between Iraq and the United States.

Thai Embassy staff are still negotiating with Iraqi officials to issue exit visas for the 70, who have been asked to remain in constant contact with the embassy.

If war breaks out, Thai workers in northern Iraq are supposed to make their way to the Iraqi town of Zhakho and cross the border into the town of Diyabakir in Turkey. From there, they are to make their way to the Turkish capital of Ankara and try to catch a flight home.

Workers in southern Iraq are supposed to cross the border into Jordan. Officials did not specify in which town they are supposed to gather.

Thai officials have warned these workers that if something goes wrong and they are stuck in the fighting, they are to try to hide in the outskirts of towns or cities.

The workers are told to avoid being close to strategically crucial areas such as airports, ports, factories and try to survive until the situation eases.

The evacuation of Thais in eastern Saudi Arabia, Bahrain and Qatar provides the largest challenge because 55,000 workers are involved.

Most of these are in industrial areas, oil sites, ports and near military bases of international forces.

Thai officials have designated four evacuation centres in Saudi Arabia—Hofuf, Riyadh, Al-Kharj and Jeddah. Hofuf is in southeastern Saudi Arabia and in an agricultural area with adequate communications.

About 22,000 Thais in eastern Saudi Arabia, the 5,500 from Bahrain and 2,000 from Qatar, are supposed to head for Hofuf.

If war breaks out these workers will be moved to the town of Jabal Dhanna near the border of the United Arab Emirates. Any further escalation will see a mass crossing into the UAE.

Although Riyadh is within striking range, Thai officials have designated the city as an "initial" centre simply because it is where the embassy is located.

In times of trouble, the first place Thais tend to head for will be the embassy. According to the plan, Thai workers who arrive in Riyadh will be moved immediately to Al Kharj, 100 kilometres from Riyadh. Al Kharj can accommodate 20,000 Thais who are expected to come from the central and northern regions of Saudi Arabia.

If war spreads to Al Kharj, the plan is to move the workers again to Jeddah, 1,000 kilometres from Riyadh and considered to be the safest centre which will be out of range of Iraqi attacks.

As with the workers in Iraq and along the eastern part of Saudi Arabia, the estimated 2,000 Thais in Israel are potential targets. Most of the workers live near the Mediterranean Sea.

According to the plan, the Thai Embassy in Cairo is to set up a centre in Egypt to take in workers if war breaks out. Two officials from the Thai Embassy in Rome are supposed to fly to Tel Aviv to help Thai officials at the Commerce Office in the evacuation.

If war starts, the workers are supposed to use the Tel Aviv-Gaza road and head for the Egyptian city of Rafah where they will stay until the fighting is over.

If they cannot return to Israel, they will return to Thailand by air. The 200 workers in Jordan can leave the country by flying out of the capital city, Amman.

Evacuation Plan Measures

BK0701114391 Bangkok Domestic Service in Thai 0530 GMT 7 Jan 91

[Text] The Interior Ministry's Labor Department is confident that the evacuation of Thai workers in the Middle East will give protection and safety to all Thai workers. This was confirmed to the press by Deputy Interior Minister Watthana Atsawahem at the opening ceremony of a fair commemorating an ancient Thai warrior in the northern province of Uttaradit this morning.

[Begin Watthana recording] The government will implement various measures to provide protection and safety for all the Thai workers abroad. The government has appointed a committee led by General Athit Kamlang-ek to work on this. The Interior, Foreign, and Public Health Ministries, the Thai Red Cross Society, and many other agencies concerned have jointly mapped out plans for the evacuation of Thai people in the Middle East. The workers in certain areas will be repatriated to Thailand while those in the other areas will be evacuated to safe places.

Among those to be returned home are 70 in Iraq and 2,040 in Israel. They will be moved out to camps at the borders first and will later be sent home if war actually breaks out with the deployment of air power and the use of chemical weapons.

For about 240 Thai workers in Lebanon, I have instructed job placement companies and their employers to send them back to Thailand.

For now I would like to inform all the relatives of Thai workers in the Middle East not to panic because the government has already worked out preparation plans, budget, and personnel to assist the workers in the Middle East. The Foreign, Interior, and Public Health Ministries, as well as the other agencies concerned, have mapped out plans and recruited their personnel for the task.

The government has approved a budget allocation of more than 500 million baht for use in the operations at this stage. If war really breaks out, we are ready to carry out all the work. If there is no war, there will be no need to use such budget, because the money is designed for use in the assistance of the workers. Prime Minister General Chatchai Chunhawan, as head of the government, has shown great concern for the workers. He has issued orders, very often asked about the progress of the preparation plans, and urged them be ready.

At present, I can confirm that all the plans have been completed, the money is ready, and all the personnel are ready to put the plans into practice for the safety of the Thai workers. [end recording]

Medical Teams To Leave for Saudi Arabia 12 Jan

BK0501011591 Bangkok BANGKOK POST in English 5 Jan 91 p 3

[Text] Four medical teams will leave for Saudi Arabia on January 12 to take care of Thai workers if war starts in the Persian Gulf, Public Health Minister Piyanat Watcharapon said yesterday.

He told a press conference that war could have a serious effect on 180,000 Thai workers in the Middle East, most of them in Saudi Arabia.

The Government has plans to evacuate Thai workers to safe areas in Saudi Arabia before bringing them home, and 587 million baht has been set aside for the purpose if war erupts.

Four medical teams—a medical and health administration team and three work teams led by Dr Suthat Wecho—will go to Saudi Arabia three days before the United Nations' January 15 dedline for Iraq to withdraw all its forces from Kuwait.

The three work teams will be sent to Al-Hufuf, Al-Kharq and Jeddah, and the administrative team will be in Riyadh, Mr Piyanat said.

Besides taking care of the ill or injured, the teams will advise on basic health care and how to escape a poison gas or chemical weapons attack.

The Public Health Ministry has about 26.5 million baht for this operation, the minister said.

Prime Minister Remarks on Athit's Trip

BK0401154191 Bangkok Domestic Service in Thai 1200 GMT 4 Jan 91

[Text] Answering a reporters' question on Thailand's stand regarding the Middle East situation, Prime Minister General Chatchai Chunhawan said at Government House this evening that Thailand has strictly complied with the UN resolutions. The purpose of the foreign minister's recent visit to Saudi Arabia was to observe preparations for the evacuation of Thai workers to safe areas. It is normal for diplomats to discuss other issues during their visit. In addition, it is not necessary to make commitments on the issues discussed because many more steps may be needed. For example, the offer to send Thai technicians who are experienced in aircraft repair to Saudi Arabia was just an ordinary discussion to seek more work for civilian Thai technicians. However, to actually send Thai workers overseas requires much consideration and many other steps.

The prime minister said that the foreign minister was concerned with the welfare of Thai workers. So the foreign minister went to visit the workers on his own, which was not considered as an action over-stepping his responsibilities. The discussions with Saudi authorities were also considered to be within the tradition of diplomatic talks.

The prime minister said that the foreign minister and the deputy interior minister understood each other well because both have their own duties. The Foreign Ministry has to look after the Thai workers who must travel through other countries in case of evacuation while the deputy interior minister will travel to oversee the well-being of Thai workers in foreign countries. The prime minister also wanted the deputy interior minister to oversee the welfare of the Thai workers in the Middle East.

Asked why the military leaders did not visit to extend New Year greetings to the prime minister, the prime minister said that he had instructed government officials not to greet him on the occasion of the New Year because he wanted the officials to spend time with their families. The prime minister, who was also a soldier, has a good understanding with the military leaders. He will have a meeting with the military leaders soon. There is no problem between the prime minister and the military leaders. The military leaders are not politicians and are straightforward.

Regarding the news report that the prime minister ordered the arrest of Dusit Sophitcha, the prime minister said that he had not given such instructions. He said that the document carrying the prime minister's signature was forged. We should not pay attention to such a matter. We should, instead, pay attention to paddy prices or oil price problems, which will be more beneficial to the well-being of the general public.

Chawalit Criticizes Athit Policy Toward Saudis

BK0601042691 Bangkok BANGKOK POST in English 6 Jan 91 p 3

[Text] New Aspiration Party leader Gen Chawalit Yongchaiyut yesterday criticised Foreign Minister Athit Urairat's offer of support to Saudi Arabia, saying Thailand does not want to be Iraq's enemy.

When there is a (United Nations) resolution Thailand may or may not agree with it but she would have to follow the resolution. But we have to see that we don't be the enemy of Iraq, Kuwait or the United States," Gen Chawalit told a press conference at his party headquarters.

He said that Thai foreign policy has to stand on the principle of peace, freedom and friendship with all countries.

In time of crisis there is a need to have a policy specific to the crisis and Thailand has to listen to the resolution of the international community on this, he said.

Although Thailand will have to follow the UN resolution, she must be aware that she does not want to be enemy of any countries, Gen Chawalit said.

The New Aspiration leader declined to comment on the misunderstanding between Dr Athit and Deputy Interior

Minister Watthana Atsawahem, saying that he only wanted to speak on matters of policy.

"Dr Athit is trying to make good policies but whether or not the timing is right or wrong, you will have to wait to hear about this in Parliament," Gen Chawalit told reporters.

Asked about Prime Minsiter Chatchai Chunhawan's policy statement to the House, Gen Chawalit said he had not had time to read it in detail.

"There was so much written that I had a headache thinking if the Government would be able to do it. The proof is in the act," he said.

He said the policy statement would not give encouragement to the people and matters in the statement should have instead been discussed in the cabinet.

"I don't believe it at all because if I did then the New Aspiration Party would not be born," Gen Chawalit said.

Former National Security Council secretary-general Sqn Ldr [Squadron Leader] Prasong Sunsiri said it was correct for Thailand to observe the UN resolution, but the interest of the country would also have to be looked at.

"In time of such a conflict you have to think things out well. If you express support at the wrong time the country could stand to loose," Sqn Ldr Prasong said.

Athit's Saudi Visit, Gulf Proposal Termed 'Bold'

BK0701021391 Bangkok THE NATION in English 7 Jan 91 p A12

[From the Regional News Desk]

[Text] Dr Athit Urairat needed only three weeks and a quick trip to Saudi Arabia to let the world know he was taking charge of Thailand's foreign policy. And even if his "hasty" diplomatic initiative—as his critics described his Persian Gulf policy—backfired at home, his aides insist he can take comfort from the fact that he has established himself overnight as a forceful foreign minister in the eyes of the international community.

The impetus that Athit gave to Thai foreign policy by declaring open support for Kuwait and Saudi Arabia is as controversial as it is bold—bold particularly for someone who had been in office for just three weeks.

Ever since Iraq invaded and annexed Kuwait last August, Thailand, like many other small developing countries, had been sitting on the fence. While it endorsed the UN resolutions condemning the Iraqi invasion and demanding complete Iraqi withdrawal, the previous Chatchai government was reluctant to side openly with Kuwait and Saudi Arabia.

A senior official of the Kuwait government-in-exile visiting Bangkok shortly after the Iraqi invasion stated that he was annoyed by Thailand's ambiguous stand and was dismayed that the government had failed to issue a statement of its own condemning Iraq. The Thai government at the time argued it did not want to put the lives of the thousands of Thai workers in Iraq and occupied Kuwait in danger by openly condemning the Iraqi invasion.

Athit reported that Thailand's ambiguous attitude toward the Gulf crisis displeased the Kuwaits and its allies in the Gulf, especially Saudi Arabia, the site of their government-in-exile. Thailand's relations with Saudi Arabia were already strained as a result of the assassination of three Saudi diplomats in Bangkok last February. Saudi Arabia showed its displeasure by refusing reentry visas to all Thai workers who came home from their jobs in the Middle East kingdom.

Athit's mission to Saudi Arabia—his first overseas trip since taking office—was an opportunity for him to mend fences with both Kuwait and Saudi Arabia. Arthit declared Thailand's unequivocal support for both countries in their confrontation with Iraq.

In a meeting with his Saudi counterpart, Prince al-Sa'ud al- Faysal, Athit took the extra step of offering to send a Thai medical team and an F-5 aircraft maintenance crew to help Saudi Arabia.

Athit described the offer as a "gesture to goodwill" to demonstrate Thailand's support for the desert kingdom.

But critics back home, especially opposition MPs [members of parliament], accused Athit of going overboard and unnecessarily putting Thailand at risk for Iraqi reprisal should a war break out. Supreme Commander Gen Sunthon Khongsomphong also came out and strongly questioned the wisdom of Athit's initiative.

Deputy Interior Minister Watthana Atsawahem joined in the fray by cancelling a scheduled trip to Saudi Arabia, claiming that he had been "snubbed" by Athit. Watthana, who is in charge of labour affairs, hinted that Athit tried to steal the show by visiting Saudi Arabia ahead of him. Prime Minister Chatchai Chunhawan himself had to step in to patch up the differences between the two.

A confident Athit defended his first foreign policy initiative as a "well-calculated move" based on national interest. He said the timing of his trip was crucial—only two weeks before the Jan 15 deadline for the Iraqi forces to leave Kuwait.

Athit said it was necessary for Thailand to join the international community in sending a clear signal to Iraqi leader Saddam Hussein that the majority of countries in the world were against his aggression in Kuwait.

"Both Kuwait and Saudi Arabia have already started drawing up a list of countries they consider friends—those who support them—and those they consider not so friendly," said a source close to Athit. Of course Thailand definitely would want to be on the right list, the source added.

Athit's calculation was based on the belief that Iraq will be defeated in the event of war and Kuwait will again become a free nation.

The source said even though Thailand had endorsed the UN resolutions, it has yet to show direct opposition to the Iraqi aggression. Therefore, showing its support for Kuwait at the right time was necessary to convince the Kuwaiti leaders of Thailand's goodwill, Athit maintained.

"Kuwait and Saudi Arabia need support from all their friends—just as Thailand once did when Vietnam invaded Cambodia. They (Kuwait and Saudi Arabia) are using the Gulf crisis to distinguish friends from foes, and so did we with the Cambodian conflict," the source noted.

Moreover, Thailand alone cannot evacuate all the tens of thousands of its citizens out of Saudi Arabia if war erupts. "We need the help of Saudi Arabia in looking after our people," said the source.

Athit claimed that his trip succeeded in improving the relations between Thailand and Saudi Arabia and that he was given assurances by Prince al-Sa'ud al-Faysal that the Saudi government would look after Thai workers should war really break out.

While his supporters believe that Athit's diplomatic initiative has contributed positively to Thai foreign policy, critics faulted him for not consulting other government agencies concerned before committing the country to a potentially dangerous policy.

Whether he likes it or not, Athit suddenly found the domestic political uproar he created overshadowing all the positive results of his trip.

The question about his offer to send Thai aircraft maintenance crew to help the Saudi air force gave his critics some extra ammunition. Athit later explained that the offer was based on the Thai air force's interest in buying 20 of the some 100 F-5E jet fighers the Saudi air force plans to sell off in the future.

He admitted exercising his own "judgement" in making the offer on the grounds that it was only sensible that Thai technicians have a chance to take care of the planes the country wanted to buy. Sources explained that said that Thailand was advised by the US to buy the F-5Es from Saudi Arabia after the Thai air force last year showed interest in buying a squadron of the jet fighters directly from the US.

Prime Minister Chatchai on Friday came out to defend Athit, saying what he did in Saudi Arabia corresponded to the new Thai government's policy on the Gulf crisis. He also downplayed the aircraft maintenance offer, describing it as a "gift" to Saudi Arabia. Chatchai's show of support was something that Athit definitely needed to counter mounting criticism of his diplomatic initiative which also won immediate praise from the U.S.

There is no question that while Athit has made some important Middle East friends with his trip to Saudi Arabia, he has put himself under a political magnifying glass at home. "As a politician he has to go through a test by fire," said another source close to the foreign minister. He said the foreign minister was quietly dismayed at the way the whole issue was politicized.

The "Gulf incident" may make Athit more cautious about his conduct of foreign policy in the future. At least it has made him aware of the need to have wide-ranging consultations before undertaking any new policy initiative.

However, the incident is not all that bad for Athit personally. If he just wanted to assert himself as the foreign minister—in name at least—he has succeeded. But of course, it needs more than three weeks and one quick trip for him to prove that he is really up to this crucial job.

Papers View Foreign Minister's Saudi Visit

BK0501125191

[Editorial Report] Two Bangkok Thai dailies, MATICHON and NAEO NA on 4 January carry editorials commenting on Foreign Minister Dr. Athit Urairat's visit to Saudi Arabia to oversee preparations to evacuate Thai workers in the event of war and his discussion with Saudi Arabian leaders regarding bilateral relations.

Bangkok MATICHON in Thai on 4 January on page 8 carries an 800-word editorial entitled: "Thailand and the Iraqi War". The paper says that the foreign minister's visit will improve Thai-Saudi relations strained for sometime over issues which include the slaying of Saudi Embassy diplomats in Bangkok last year and the theft of royal Saudi jewelry by a Thai worker. In view of his intention to oversee preparations to evacuate Thai workers from the Middle East in case of war, the foreign minister's visit is beneficial no matter how the situation turns out, because Thailand is always interested in having good relations with Saudi Arabia due to the presence of the many Thai workers there.

With reference to his diplomatic initiative which has drawn negative reaction from opposition parties fearing that Thailand might become a terrorism target if it openly takes sides in the confrontation, the editorial says: "The opposition's view must not be discounted. By clearly taking sides with Saudi Arabia and the Kuwaiti government-in-exile, as well as their allies in the Persian Gulf, Thailand could become more exposed to terrorism and foreign diplomats in Thailand might be in danger. We must not let history repeat itself."

Bangkok NAEO NA in Thai on 4 January on page 4 carries an 800-word editorial entitled: "Good Job, With a Mistake". This editorial also applauds Dr. Athit's visit to Saudi Arabia as contributing to improving bilateral relations. He reportedly held frank discussions with

Saudi leaders and cleared up unresolved bilateral matters. "This has benefited both countries fully. The credit should go to this veteran politician performing his first diplomatic mission."

During the trip Dr. Athit also asserted Thailand's support for the government-in-exile and people of Kuwait. "Thus Thailand has clarified who it supports in the Middle East confrontation after following an equivocal policy for nearly five months," the paper says. The editorial, however, deplores Dr. Athit's failure in not stressing Thailand's support for the UN resolutions on the Gulf crisis while "his clear-cut support of any particular party in the confrontation would not be in the interests of the country or the people. Thailand would lose face if the side which it supports loses the war, or if there is no war at all." The editorial wants the new foreign minister, a veteran politician, to be more careful with his words.

Police Increase Security at Diplomatic Missions

BK0501035991 Bangkok BANGKOK POST in English 5 Jan 91 p A1

[Text] Metropolitan police have thrown a security blanket around key foreign diplomatic missions and installations frequented by diplomats and their families to prevent possible terrorist attacks during the period before the United Nations' January 15 deadline for Iraq to pull out of Kuwait.

The measures, which are being enforced around the clock, went into effect yesterday and will be intensified during the final stage between January 12 and 15, Metropolitan Police Commissioner Wirot Pao-in said.

The City police have been assigned by the Police Department to take charge of safety measures for the foreign diplomats under a security plan drawn up by the department.

Apart from key foreign embassies such as those of the United States, Britain, France, Israel, Saudi Arabia, Iraq, Turkey and Egypt, airline offices, international schools, churches and entertainment centres frequented by diplomats and their families will also be under surveillance.

Immigration and Special Branch police have already been alerted to keep a close watch on the activities of foreign visitors they suspect may have been sent here to engage in terrorism.

Pol Lt-Gen [Police Lieutenant-General] Wirot said that as part of the security measures, the Metropolitan Police may ask Bangkok- based international schools to close for a week during the period leading up to January 15.

He said he may have to ask the schools to close between January 7 and 15 because his police force does not have enough men to protect their school buses.

International schools have been identified as establishments for police protection because they are attended by children of foreign diplomats based in Bangkok.

The International School of Bangkok has been closed for holidays since Christmas and is not scheduled to reopen until January 16.

Minister Says No Need To Stock Up Crude Oil

BK0501032791 Bangkok THE NATION in English 5 Jan 91 p B1

[Text] Commerce Minister Amaret Sila-on said yesterday that there was no need for the country to stock more crude oil and if war breaks out in the Middle East, Thailand could switch to supplies from China, Malaysia and Indonesia.

The Petroleum Authority of Thailand [PTT], meanwhile, confirmed that domestic reserves of crude oil, finished oil products, and cooking gas are sufficient for at least 45 days of consumption in the event that a war breaks out and supplies from the Gulf are disrupted.

The state-owned PTT had proposed that the country should stock up more crude to prepare for the possibility of war between the allies and Iraq, which would disrupt oil transportation from the Gulf.

Amaret said more stock would only mean additional costs for the country which would have to be borne by consumers, oil companies or the government. He did not elaborate on plans to resort to Malaysian, Indonesian and Chinese supplies in the event that Gulf transport is cut off.

Another problem in stocking oil is that there is no storage capacity to hold additional crude. The measure passed earlier for oil companies to hold more crude had to be delayed for two years to allow new depots to be built.

Charan Atchalaphuti, deputy PTT governor, said PTT is well-prepared for the emergency. The firm is able to boost reserves to 90 days of consumption.

In the event of war, more hoarding of world crude is anticipated and could lead to a rise in the price to US$60 a barrel. He said the country should not be complacent with this scenario.

Increase of Oil Reserves Planned

BK0701111591 Bangkok Domestic Service in Thai 1200 GMT 6 Jan 91

[Text] Charan Atcharaphuti, deputy governor of the Petroleum Authority of Thailand, said world crude oil prices in 1991 depend on the Gulf situation. If Iraq agrees to withdraw its troops from Kuwait before 15 January in line with the United Nations General Assembly resolution, world crude oil prices will drop, which will be beneficial to many countries including Thailand. On the contrary, if a big war takes place, it will affect oil production in the Persian Gulf and also cause oil hoarding. Such a situation will cause oil prices to rise to as high as $60 dollars per barrel. This situation will cause hardships worldwide.

As a precaution the government and the Petroleum Authority of Thailand have prepared measures to cope with such a situation. The government has adopted several measures, such as energy saving measures and the increase of oil reserves to a 90-day supply. In addition, it is also trying to improve efficiency in oil procurement and increase oil production in the country.

Charan said the Petroleum Authority of Thailand has also prepared measures to cope with the situation, particularly increasing its oil reserves to a 90-day supply and conducting thorough distribution of oil products to consumers.

Officials on Oil Price Rise

BK0701042591 Bangkok THE NATION in English 7 Jan 91 p B1

[By Duangkamon Chotana and Phitchaya Changson]

[Text] In The event of a shooting war in the Persian Gulf, retail petrol prices in Thailand will rise by a maximum of 22-25 per cent. Top government officials in charge of oil prices, meanwhile, have heavily discounted the possibility of price rises beyond that level, provided the war, if there is one, is not prolonged.

The maximum percentages of price rises are based on a possible crude oil price of US$40 a barrel. Further rises in crude price will be absorbed by the government since officials strongly believe that a US$40-plus price, if there is one, will only be temporary.

These officials, including the government's top energy officer, gave an assurance that retail prices for premium gasoline will not exceed Bt [baht] 13.50, or up no more than 22 per cent, from the present price of Bt11.05 a litre. For diesel oil and fuel oils, the maximum increases will be around 25 per cent, putting retail prices at Bt10.50 and between Bt4.72 and Bt5.25 a litre, respectively.

Premium gasoline, diesel and fuel oils are the three most important products widely used by passenger cars, the commerical transport sector and industries.

Their current prices are based on a US$30 crude price though the world markets have seen the crude price plunging to around US$25 in the past days on the possibility of a peaceful settlement in the Gulf.

Officials, interviewed by THE NATION, said the Finance Ministry is ready to temporarily cut the excise taxes on finished oil products to subsidize the retail prices, which will face a severe upward pressure if there is a war in the Gulf.

According to foreign analysts' estimate, crude prices could shoot up to US$50-60 a barrel if a war breaks out.

Government analysts, however, believe that a Gulf war is not likely to last long because the US and its allies will be placed at a severe disadvantage in a drawn-out situation.

Based on a short-war scenario, they feel that it is not necessary to increase retail prices to the levels on world markets dictated by a shooting war. A parallel increase will only result in more cons than pros as officials fear that the prices of other goods will follow suit.

If crude prices shoot up to US$50-60 a barrel if and when a war breaks out the Oil Fund will be able to hold retail prices at the US$40 crude level for at least three months, according to officials concerned.

Though the Fund is netting about Bt10 million daily from oil sales it will receive government subsidies to maintain prices at desirable levels.

To keep the lid on prices, the government plans to cut the excise tax rates further, although the rates are already at their lowest levels set by officials. At present, premium gasoline is subject to Bt3.4340; diesel, Bt1.9190; and fuel oil, Bt0.4040 a litre.

Collection of oil taxes for fiscal 1991 is projected at Bt39 billion. This amount will fall according to additional tax cuts necessary to maintain the retail prices at the maximum US$40-crude level.

Between October and November last year, oil tax collection totalled Bt6.77 billion, 32.84 per cent higher than the fiscal 1991 projection on an annual basis. The fiscal year begins every Oct 1.

However, the October-November collection was down 1.8 per cent from the same period a year ago because of cuts in the tax rates.

In view of higher first-quarter revenue collection from other sources, Finance Ministry officials are not worried by possible further cuts in oil taxes, which could happen in a war scenario.

Government analysts also hold the view that the Gulf war will not be widespread and, possibly, restricted to only Kuwait, which is now occupied by Iraqi forces.

As a result, the impact on prices will not be catastrophic for a protracted period. However, if the war spreads into neighbouring Saudi Arabia, the impact on Thailand will be much more significant.

A Saudi supply cut-off, which could result from the shut-down of oil transport routes in the Gulf, will seriously hurt Thailand, which imports about 50,000 barrels of Saudi crude a day, representing some 12 per cent of Thailand's oil consumption.

In this scenario, the government is prepared to import the lost quota from other sources, such as Malaysia, Brunei, Indonesia and China.

In this scenario, the government is prepared to import the lost quota from other sources, such as Malaysia, Brunei, Indonesia and China.

Dr Anat Aphaphirom, governor of the state-owned Petroleum Authority of Thailand, the country's biggest procurer, said the ASEAN Petroleum Security Agreement signed recently would be helpful to Thailand.

Anat stressed that domestic reserves of crude and finished oil products are sufficient for at least 45 days of local consumption. PTT reserves will rise to a maximum of 570 million litres of oil products and 48,000 tonnes of LPG, he added.

Wichian Usanachot, a senior planning official of Bangkok Petroleum Co, one of the country's three oil refiners, said about 70 per cent of the firm's crude suplies are delivered on a long-term contractual basis, providing security in the event of a war.

Dubayy and Iran are among its Middle East and Far East suppliers. So, a limited Gulf war should not affect the firm's supplies. The firm does not buy from Saudi Arabia, however.

Thai Oil Co, another refiner, said it has stocked up its depots above the mandatory reserves set by the government to prepare for developments in the Gulf.

For the first three months of this year, the supplies will come from the Middle East, such as Oman, Syria and Saudi Arabia. The rest will be delivered by Far Eastern and indigenous sources.

These Jan-March contracts have stipulated that loading for Middle Eastern supplies will take place outside the Gulf to avoid disruption from a possible war.

Esso, also an oil refiner in Thailand, said it has shifted 40 per cent of foreign supplies from the Middle East to the Far East to avoid any risks due to a war.

Shell, which does not have a refinery in Thailand yet, said it has ordered about 38 million litres of finished products aboard two tankers heading for Thailand to prepare for further ominous developments in the Gulf.

Apart from raising reserves to the maximum levels, Shell will also be assisted by its global sourcing network. Its refinery in Singapore, for example, will gear its production to meet the local market demand before it sells in the spot market.

Economic Growth Increases Energy Consumption

BK0601051891 Bangkok Domestic Service in English 0000 GMT 6 Jan 91

[Text] Thailand's economic growth in 1990 remained at a high rate despite the Gulf crisis, consequently oil consumption has been on an upward trend. The Bangchak Petroleum Company reported that in 1990 energy consumption in the commercial sector was averaged at 571,000 barrels a day, representing an increase of 13 percent, which was higher than developed countries. The estimated fuel consumption in the first 11 months of 1990 totaled 496,800 barrels a day. For liquefied petroleum gas, the consumption rose 9.4 percent to 29,200 barrels a day; premium gasoline 12.1 percent, or 69,900 barrels a day; diesel 15 percent, or 171,800 barrels a day; and fuel oil 45.1 percent, or 91,700 barrels a day. However, kerosene consumption has declined to 2,100 barrels a day, the report said.

Athit 'Restores' Military Role in Foreign Affairs

BK0701020191 Bangkok THE NATION in English 7 Jan 91 p A2

[By Atthiwibun Srisuworanan]

[Text] Foreign Minister Athit Urairat restored the high profile of military coordinators attached to the Foreign Ministry last week as part of his attempt to garner support from the military in restructuring policy toward neighbouring countries, senior ministry officials said yesterday.

Four intra-departmental task forces were also formed to take charge of restructuring Thai relations with Burma, Laos and Vietnam and of policy on external economic relations, said the officials.

Lt Gen Amphon Chuthaphutthi, a senior officer from the Supreme Command who acts as a military coordinator at the Foreign Ministry, was ordered last week to attend the weekly meetings of the ministry's "board of directors," said the sources.

The weekly meetings, between the foreign minister, the ministry's directors—general from its seven departments, a number of ambassadors attached to the ministry and the chief military coordinator, serve as the top mechanism in formulating and implementing foreign policy.

Amphon was left out of his role at the Foreign Ministry for more than three months after former Foreign Minister Subin Pinkhayan decided to limit the weekly meetings to the seven directors-general in order to assert greater independence by the ministry in issuing policy, said the sources.

Athit's decision came after he received a letter from Army Commander in Chief Gen Suchinda Khraprayun asking him to consider restoring closer ties with the military in conducting external affairs with neighbouring countries—the domain of foreign relations which most relates to national security.

Athit reportedly said shortly after taking office three weeks ago that he would conduct a drastic review of current ties with Burma and forge closer cooperation with Laos and Vietnam.

According to the sources, Suchinda asked Athit to make full use of the military coordinator to gain the military's opinion about readjusting current ties with countries.

Military coordinators had a high profile in formulating foreign policy during the past decade, when Thailand was faced by Vietnamese troops occupying Cambodia.

"Reactivating the role of the military coordinator will help the ministry get a wider perspective and gain the cooperation needed from other policy-formulators in meeting its initiatives," said the sources.

Intensive discussions on relations between Thailand and its neighbours are expected within the newly-created task forces, they added.

Tentatively, Director-General of the Political Department Sarot Chauanawirat will head the task force on Vietnam, while Ambassador-at-large Wit Rayananon, formerly the consul at Los Angeles, and Deputy Director General of the Political Department Wirasak Futrakun would take charge of the Lao and Burmese task forces respectively.

Military Announces Closure of Refugee Camp

BK0501022191 Bangkok BANGKOK POST in English 5 Jan 91 p 6

[Text] The Thai military announced yesterday that it will close in about three months a Khmer Rouge guerrilla-controlled camp housing more than 15,000 Cambodian refugees.

An official of the Thai Supreme command read the brief announcement of O'trao Camp's closure at a meeting with Western relief agencies. He did not say if that meant the refugees would be moved, either to another camp in Thailand or back inside Cambodia.

The announcement surprised aid officials, who recently had received assurance O'trao would remain open. They worried about the camp's residents after tens of thousands of other Khmer Rouge-led refugees were moved across the border to dangerous areas last year.

O'trao is in Sisaket Province, just inside the northern portion of Thailand's border with Cambodia. It is among three UN-aided refugee camps controlled by the Khmer Rouge, one of three guerrilla groups fighting the Vietnamese-installed government in Cambodia.

Since it opened in 1988 and refugees from previously inaccessible areas were moved there, O'trao has steadily increased its cooperation with UN officials and become relatively free and open.

Sources who demanded anonymity said the Thai military command along the northern border demanded the closure of O'trao after a hand grenade was hurled at the Thai security unit there in early November, injuring two people. Thai officers also blamed the presence of O'trao for the frequent bandit attacks in that area.

The circumstances surrounding the grenade attack remain unclear. Afterward, the camp's Khmer Rouge administrators were recalled to Cambodia and replaced by other officials. Cooperation with UN officials went well.

If O'trao is indeed closed, UN officials are likely to attempt to move the refugees to another border camp or to Khao-I-Dang, the only refugee camp not controlled by any guerrilla faction.

But they fear a repeat of the disaster of early 1990, when the UN-aided camp of Bo Rai along the southern border was closed.

The Khmer Rouge moved the more than 4,000 refugees at Borai—some of them forcibly—to a dangerous, Malarial area across the border. That thwarted a UN attempt to transfer them to a safe site. Gunfire echoed through the camp, and aid officials said the refugees reportedly were told not to approach the UN transport trucks.

Commentary on Hun Sen, Cambodian Situation

BK0601091791 Bangkok Voice of Free Asia in Thai 1030 GMT 4 Jan 91

[Commentary: "Prospect for Peace in Cambodia Remains Dim"]

[Summary] Dear listeners: Progress toward a reconciliation among of the four Cambodian factions is slow. Meetings have been held in Jakarta, Paris, Tokyo, and even here in Bangkok to find a solution, but no substantial progress has been made. Last September, the four Cambodian factions managed to set up a Supreme National Council [SNC] to serve as an interim government pending a UN supervised election. Yet it cannot operate, because the four factions still have not reached an agreement on the SNC chairman and the council's structure. This has stalled a settlement under the UN peace plan.

The international community, meanwhile, continued with efforts to get the four fighting Cambodian factions to cooperate in order to end the deadlock. The cochairmen of the Paris International Conference on Cambodia [PICC], Indonesian Foreign Minister Ali Alatas and French Foreign Minister Roland Dumas, invited the SNC members, along with representatives of the permanent members of the UN Security Council, for a meeting in Paris from 20-21 December 1990. The main purpose of the meeting was to have the SNC members endorse the peace plan drawn up by the PICC cochairmen and approved by the permanent members of the UN Security Council regarding UN involvement in the country's administration.

In an earlier development, Foreign Minister Hor Namhong of the Phnom Penh regime sent a message to the PICC cochairman in Jakarta regarding control of the UN role in implementing the peace plan. He stressed that the UN role should be limited to the election and not to administration. Vietnamese Foreign Minister Nguyen Co Thach held a news conference in Hanoi in early December announcing that Vietnam, in its capacity as a PICC member, would not endorse the Cambodian peace plan. He said that the draft agreement grants excessive power to the United Nations which violates Cambodia's sovereignty. This clearly reflects the insincerity of both the Phnom Penh regime and Vietnam toward solving the Cambodian problem. "The SNC stands as a symbol of Cambodia's sovereignty. The UN peace plan is internationally recognized as presenting a procedure that is fair to all Cambodian factions with a view toward paving the way for a free, fair, and honest election in order to attain a new government that will genuinely represent the Cambodian people."

Prime Minister Hun Sen of the Phnom Penh regime once rejected Prince Sihanouk's invitation for a meeting to work out the structure of the SNC. He agreed to attend the meeting in Paris from 20-21 December 1990, but he agreed without enthusiasm. His attitude foreshadowed a lack of progress at the meeting of the 12 SNC members, the PICC cochairmen, and the permanent members of the UN Security Council. In fact, there was no conclusion at the Paris meeting which ended on 23 December 1990. Hun Sen rejected several points in the peace plan, especially concerning the dismantling of the Phnom Penh administration and the decommissioning of the Phnom Penh forces prior to elections. Hun Sen claimed that this would make it possible for the return of the Khmer Rouge.

"In his New Year speech in Phnom Penh, Hun Sen stressed that the Phnom Penh regime rejected the UN peace plan regarding the transfer of administrative power to the United Nations prior to the elections. He claimed that the UN peace plan gives excessive power to the United Nations in its role of administering Cambodia. Under the plan, the United Nations would have control over five major ministries, namely the Defense, Interior, Finance, Foreign, and Information Ministries. This would create confusion and possibly a civil war as it would pave the way for the return of the Khmer Rouge, which is the strongest of the tripartite coalition." Hun Sen's statement reflects that he is insincere in solving the Cambodian problem. Hun Sen is afraid of the UN peace plan, because he is afraid that the result of the Cambodian election will not answer his wishes. In short, he is afraid of losing his power to the Cambodian people.

Working Group on U.S. Copyrights Proposed

BK0601095491 Bangkok NAEO NA in Thai 3 Jan 91 pp 7,8

[Excerpts] A Commerce Ministry source told NAEO NA that the ministry has proposed to the prime minister to set up a working group led by Permanent Secretary Phatchara Itsarasena to deal with the U.S. trade representative [USTR] in its investigation on violations against intellectual property rights in Thailand. The U.S. private sector has complained that copyright violation in Thailand is worse than in other Asian countries and has proposed to the USTR to retaliate against Thailand, using Section 301 of the U.S. Trade Bill if Thailand fails to comply.

The working group will have as its members Deputy Permanent Secretary of the Commerce Ministry Kroekkrai Chiraphaet and representatives from the Commercial Registration Department, the Police Department, the Public Prosecutions Department, and the Fine Arts Department. The group will compile relevant data to explain the Thai legal system to the United States, particularly regarding copyrights, and provide comments on the six measures proposed by the United States for combatting piracy—whether they are workable or not. [passage omitted]

The source said some of the U.S. proposals are difficult to implement because they do not correspond with existing Thai laws. There will have to be an amendment of the law and this is not easy. In addition, Thailand will have to take into consideration the results of the Uruguay Round of the GATT talks in January before making any decision. Thailand cannot comply with the U.S. proposals immediately, because that would give the impression that Thailand is a U.S. colony. [passage omitted]

Support for Malaysian Economic Pact 'Unlikely'

BK0701040391 Bangkok BANGKOK POST in English 7 Jan 91 p 3

[Text] Malaysia is unlikely to win Thai backing for its regional economic pact initiative.

Thailand will not commit itself to Kuala Lumpur's proposal for a new East Asian Economic Cooperation pact at this stage, preferring to wait for the conclusion of international trade talks and ask for a strengthening of intra-ASEAN cooperation before proceeding with any new grouping.

Malaysia's Minister of International Trade and Industry will visit Bangkok on January 17-18 as part of her ASEAN tour to explain details of Malaysia's proposal to set up an East Asian Economic Cooperation pact.

She and a team of officials are expected to hold talks with Commerce Minister Amaret Sila-on.

According to authoritative sources, Thailand prefers to wait for the final outcome of the international trade negotiations, known as the Uruguay Round of the 107-nation General Agreement on Tariffs and Trade.

The Round was adjourned in acrimony in December and negotiators will meet at the GATT headquarters in

Geneva on January 15 to evaluate prospects for an overall agreement to lower trade barriers.

"We would rather wait and see how the Round unfolds. And in view of the collapse, we will discuss the proposal later," said a source, noting that Japan, which is to assume leadership of the Malaysian- proposed pact, is also not keen on another regional grouping.

Another crucial point Thailand is expected to explain to the Malaysian team is that ASEAN should give priority to strengthening intra-ASEAN cooperation, where many projects to smooth trade as well as getting rid of regional barriers are a long way from materialising.

After the breakdown of the GATT talks in December, Malaysia proposed that ASEAN with Japan, South Korea and China form a pact to beef up the region's economic cooperation while presenting a united front in the increasingly protectionist world trade environment.

Malaysian Prime Minister Mahathir Mohammad has written to heads of ASEAN governments explaining that the pact would enhance multilateral trade while boosting trade and investment flows.

Ms Aziz is also to tour ASEAN, which Malaysia repeatedly said is not a trade bloc, to sell the proposal.

The Asia Pacific Economic Cooperation (APEC) which groups ASEAN, the US, Canada, Japan, South Korea, Australia and New Zealand, is in its infancy and analysts believe Malaysia came up with this idea as "a trial to strengthen Malaysia's bargaining position in the GATT."

Thai-Japanese Trade Figures Reported

BK0601051491 Bangkok Domestic Service in Thai 0000 GMT 6 Jan 91

[Text] Rachen Potchanasunthon, the commercial counselor of the Thai embassy in Tokyo, has reported on Thai-Japanese trade during the first nine months of 1990. He said Japan imported 400,000 million yen of Thai products, 1.8 percent of its overall imports. The import of Thai products represented a 23 percent increase over the same period of the previous year. Major Thai exports to Japan in terms of value were: frozen shrimp, gems and jewelry, smoked rubber sheets, frozen chicken, clothes, raw sugar, bearings, frozen cuttlefish, natural rubber sheets, and pet food.

According to Rachen, Japanese exports to Thailand during the first nine months of 1990 totaled 900 billion yen, three percent of overall Japanese exports and representing a 42 percent increase over the same period of the previous year. Japanese exports in terms of value were: trucks, iron and steel sheets, auto and machinery parts, earth moving equipment, television and communication equipment parts, and automobiles.

Vietnam

'Remaining' 5,000 Workers To Leave Via Jordan

BK0701043291 Hanoi Domestic Service in Vietnamese 2300 GMT 6 Jan 91

[Text] The evacuation to Jordan of the remaining 5,000 Vietnamese workers stranded in the Gulf region is under way.

The Jordanian Government has disclosed that these workers will be repatriated via Amman and that some 1,500 others have already left for their homeland by air.

Meeting Held With U.S. MIA Specialists

BK0701151091 Hanoi VNA in English 1503 GMT 7 Jan 91

[Text] Hanoi VNA January 7—Vietnamese and American specialists met here from January 3-7 to accelerate the settlement of the problem on GI's reported as missing in the Vietnam War.

The Vietnamese side was led by Dang Nghiem Bai, assistant to the foreign minister, and the U.S. side by Vice Admiral Michael Modevitt, director of international security affairs for East Asia and Pacific under the Department of Defence.

The two sides unanimously held that their meeting had been crowned with fine success.

The American specialists left Vietnam on January 7.

Political Reform Process Past 5 Years Viewed

BK0401130691 Hanoi International Service in English 1000 GMT 4 Jan 91

[From the "Talk of the Week" program]

[Text] Dear listeners: The renovation process started in Vietnam five years ago. Following is a review of the situation since then.

Renovation is an urgent demand of life not only in Vietnam but also in many countries. It is closely linked to the process of realizing democracy. But for whom and to whom that democracy is? It is worthy to take into consideration to differentiate between the democracy that is for the working people and those which are against their interests.

To make democracy work in complicated [word indistinct] developments with many positive and negative lessons, Vietnam has persevered with this people-oriented process. It is just to say that over the past few years, all walks of life have been democratized. These facts can be attributed firstly to the renewal in the Communist Party's thinking and its leadership. The party has differentiated between its function and that of the state. [Words indistinct] the legislative, executive, and juridical bodies which in the past were considered an overall [word indistinct] causing bottleneck and stagnation [words indistinct]. At present, National Assembly sessions have really become working sessions of the Organs of People's Supreme [word indistinct] with full and constructive responsibilities. Discussions on the party's guidelines are held openly and frankly, sometimes very hectic. Ministers, vice ministers, and chairman of the Council of Ministers—or prime minister—are responsible for answering questions raised by the deputies about negative manifestations in all branches of activities concerning production, circulation and distribution of goods, social activities, and others and for finding out measures to remove those difficulties.

Over the past few years, elections to the posts of factory director and university dean—or rector—have been carried out in many localities. It is different from the past when those functionaries were appointed by their superiors. This new practice has been highly appreciated by the people of all strata.

There are a number of factories and companies which suffer profit losses and which are on the verge of bankruptcy. However, by electing suitable persons to the post of director, these factories and companies have overcome their crises and continued their operations.

In the past, those who kept leading posts had to be Communist Party members but now non-party members can be accepted if they are creditable and win the masses' confidence. Every day, mass media carry articles of readers from all walks of life criticizing social negative phenonmena, corruption, embezzlement, wastefulness of state officials at all levels, even vice ministers or ministers. Public opinion has [words indistinct] the law offices to purify the society. Over the past years, Vietnamese people of all strata have been entitled to resettlement in foreign countries, traveling overseas, visiting relatives, or getting married to foreigners provided that their activities are legitimate, not detrimental to the country's interests.

One noteworthy feature of democracy in Vietnam is that all economic sectors are equal before the law. The draft platform for building socialism in the transitional period has been under seething discussion because it is considered a platform for each household and each person aimed at enlarging democracy in political, economic, and social aspects, making full use of everybody's potential to build a prosperous country and a rich people.

The past five years are only the first step in a long-term renovation process. Much remains to be done, including the perfection of democracy for the working people by means of specific policies and regulations, improvement of people's cultural level, and removing non-democratic practices.

Realities over the last few years show that democracy in Vietnam can only be a socialist democracy for the working people and no one can replace the Communist Party of Vietnam in ensuring democracy in daily life for a simple but obvious truth: The party has only one objective, namely working for the interests of the working people.

Minister Criticizes Party Member Urging Change

BK0501015991 Bangkok THE NATION in English 5 Jan 91 p A3

[By Kawi Chongkitthawon]

[Text] A top Vietnamese official yesterday harshly criticized a senior communist party member who has broadcast appeals from France calling on his compatriots to abandon both the rigid Marxist-Leninist economy and political repression.

Interior Minister Mai Chi Tho told THE NATION that Bui Tin, deputy editor of NHAN DAN, the party's daily newspaper, had violated the Communist Party's discipline by "saying something hostile" against the party.

Bui Tin, who joined the party in March 1946, is currently living in France. He was interviewed by the BBC on political problems at home. He said more Vietnamese listen to the BBC's Vietnamese-language daily service than to official Radio Hanoi.

"I want to go back," Bui Tin was quoted as saying. "Prison is a possibility and my wife and children have already been interrogated by police."

The minister's reaction to Bui Tin's remarks is the first by a top Vietnamese party leader.

Tho said Bui Tin's pen name "Thanh Tin" means sincerity but now should be changed to "That Tin" which means untrustworthy.

"In my view, Thanh Tin has become That Tin. And he has become one of the party members we no longer trust," Tho said.

A Hanoi-based diplomat here said that it is almost certain that Bui Tin would be removed from the party.

"He is a pretty high official, so the party needs to talk about it before any final decision is reached," said the ASEAN diplomat.

During the interview with THE NATION, Tho touched on a wide range of topics, from his impression of Thailand to the current reform efforts of his country. He also talked about his experience as mayor of Ho Chi Minh City and how his ministry copes with criminals.

Tho said despite the feudal background of Bui Tin's father in the old regime, the party has given him good care and attention that has allowed him to rise in the party hierarchy and become a high-level government official.

Tho, one of the most powerful Vietnamese leaders, said Bui Tin has betrayed the party.

"Nobody forced him to become a party member because the party has very stringent regulations. We have high discipline," he said, adding that "Bui Tin became a member of the party on his own free will like other members."

The minister said it was unfair for Bui Tin to campaign against the party in a foreign country, saying that the official's remarks would have been welcomed if he had made them at home.

Nguyen Van Linh Speaks at Journal Anniversary

BK2712113990 Hanoi QUAN DOI NHAN DAN in Vietnamese 5 Dec 90 pp 1, 4

["Text" of CPV General Secretary Nguyen Van Linh's speech marking 35th founding anniversary of TAP CHI CONG SAN Journal; place, date not given]

[Text] Dear Comrades! I am very happy to see you on the occasion of the 35th anniversary of TAP CHI CONG SAN publication.

As you all know, our party, founded and forged by Uncle Ho, has paid much attention to the theoretical task. As a result, from its very birth to the first years of the resistance struggle against French colonialists, the party Central Committee published many theoretical reviews such as the TAP CHI DO (1930), TAP CHI CONG SAN (1931, 1943, 1950), TAP CHI BON SO VICH (1934), and TAP CHI SINH HOAT NOI BO (1947). But due to the difficult circumstances of the clandestine operation period, as well as during the resistance struggle period, the aforementioned reviews were normally published for some time and then suspended. TAP CHI HOC TAP (renamed TAP CHI CONG SAN in 1977), the party's theoretical review, secured the conditions for continuous publication in December 1955.

In the last 35 years, TAP CHI CONG SAN has exerted much effort to clarify the lines and policies of our party and state on the basis of studying and applying Marxism-Leninism, in order to help raise the standard of theoretical and political knowledge of party and non-party cadres, accelerate the party's theoretical research task, struggle against erroneous ideological viewpoints, and strengthen solidarity and unity within the party and among the people.

Since the end of the sixth party congress, the review has concentrated on researching and propagating the fundamental viewpoints specified in the sixth party congress resolution and other resolutions of the party central committee plenums following the congress. It has carried research articles to support the renovation process and has covered the general theoretical issues concerning socialism and the transitional period in Vietnam, as well as economic, political, cultural, social, party development and international issues.

In recent years, the review has achieved some initial changes in renovating its contents and format. It has created an atmosphere of polemics, developed new thinking, and attracted large numbers of prestigious collaborators. It has organized many scientific forums and seminars of theoretical and practical significance.

However, the review has achieved limited results in its struggle to raise its theoretical and militant nature. There are still very few investigative articles on real situations and not many of the experiences of localities and primary installations have been summarized. Although the organization of debates and exchange of views is necessary to clarify truth, attention should be paid to providing guidance and arriving at conclusions to correctly orient the thought of readers.

Yet with 35 years of constant struggle and growth, TAP CHI CONG SAN has exerted much effort and scored considerable achievements. It is worthy of serving as the party's press agency and of receiving the lofty award, the Ho Chi Minh Order. On this occasion, on behalf of the party Central Committee's Political Bureau and Secretariat, I warmly welcome you, Comrades.

Dear Comrades!

Today, I have met many close collaborators of TAP CHI CONG SAN, those who have practically engaged in the research, theoretical and leading tasks of our party and state. In this cordial meeting, I would like to address some issues of the theoretical task, one of the most important tasks of our party.

We are now facing a special international situation that has developed in a very complicated fashion. The crisis of socialism and the strategic adjustment of imperialism, together with its insidious maneuvers of "peaceful evolution," have borne great impact on socialist countries, the international communist and worker movement, and the national liberation movement. Confusion, vacillation, division and disruption, and ideological, theoretical and organizational crises have occurred among the revolutionary ranks in some countries. Marxism-Leninism is being attacked, debased and even rejected by some people. The picture of today's world is diversified, rife with contradictions, and alternating with conflict and cooperation, detente and confrontation. All these events impact on our country, compelling us to study them thoroughly in order to adopt correct guidelines for our thought and action.

Our country is also in a special situation. Since the end of the sixth party congress, we have carried out renovation under extremely difficult conditions. Nevertheless, we have achieved important initial results owing to our party's correct lines and proper steps. Not only our people have clearly seen these results but also our international friends have admitted them. The party's correct lines have become living realities and have been welcomed and enthusiastically implemented by our people. Yet new problems have always emerged from real life which call for careful study in order to find correct solutions. In the renovation process, we should clarify the extent of our achievements, what should be done and has not been done, and what has been done incorrectly. We should analyze consequences and causes and learn from experiences. Due to the impact of the international situation, our country is at a major turning point and is facing new difficulties and ordeals to be overcome. At the same time, we also have new favorable conditions which should be developed adequately.

Against such international and domestic backgrounds, our party and people have debated the draft platform for socialist construction in the transitional period, the strategy of socioeconomic stabilization and development and the political report to be presented at the seventh party congress, and have held party congresses at all levels in preparation for the seventh party congress in mid 1991.

These paramount tasks fall within the framework of the renovation drive initiated and led by our party. The renovation process means constant evolution. It develops continuously and should be enriched by new theoretical conclusions and new solutions in practical life. If we fail to watch, follow up, and analyze the current real situation, and to generalize and explain its nature and developmental trends in order to find correct solutions, we will be overridden by life. In such a way, we will not be able to carry out the function of theorizing and summarizing realities to clarify the present and forecast the future.

Meanwhile, the complex developments of the international and domestic situation, the existing and future problems of the renovation process, and the stern requirements of perfecting the party's new documents require us to intensify even more our theoretical tasks.

It is more necessary now than ever before for our party to create a system of theoretical viewpoints to serve as a firm base for leading our country forward toward socialism. In the draft platform and the strategy of socioeconomic development, our party has outlined the general principles of this path. However, it is still insufficient. The outlined process for our party members and people to debate and contribute their views—even after it has been approved by the seventh party congress—will still need to be supplemented, substantiated, and debated more thoroughly on scientific grounds. A major part of this responsibility rests with theoretical research circles, including TAP CHI CONG SAN journal.

Life has demonstrated that it is impossible to stay with the old working method and old experiences. Those things that are to be renovated in terms of scope, forms, and operating procedures in the various fundamental domains of social life must be renewed. There are no previously ready patterns. Experiences in renovation over the past few years since the end of the sixth party congress are very valuable to us. However, they are merely the initial traits, as compared to the whole long-term renovation process. Until the seventh party congress, we will summarize a step further all that we have done, including both achievements and mistakes. Then, on this basis, we will draw out useful conclusions. In science, there is no easy and straight "princely path." [con dquowgl dqees vuowng] It is impossible to use a subjective and self-explanatory way of thinking in lieu of scrutiny to discover and generalize theories about animated life [cuoocj soongs sinh dqoonj] and the results of practical activities by millions of people. The current renovation process in our country is providing valuable materials to those who are desirous of scientific invention. The deeper and the larger scale the renovation process becomes, the richer and the more attractive its scientific research objectives will be. As a result, the tasks posed before theoreticians in our country are very heavy, though very interesting.

It is more advisable this time than ever before that we should remember Lenin's instructions: Theories will be empty if they are not closely linked to revolutionary realities, just as realities will become obscured if they are not illuminated by revolutionary theories.

Dear Comrades,

The theoretical banner of our party and people is Marxism-Leninism. This is a scientific doctrine that has borne a great effect on the development of mankind in the past century or so. Our unshakeable belief in Marxism-Leninism is not a priori but it has originated from the real struggle for independence and freedom of our people to build and defend their country throughout the past 60 years. Our great achievements cannot be separated from our firm grasp and creative application of Marxism-Leninism. At the same time, all our errors and mistakes have been caused by our incorrect knowledge and application of this doctrine, for example, the mistakes of strategic leadership which the sixth party congress pointed out, such as the delay in setting the initial stage of the period of transition to socialism and in building the economic management structure and mechanism, the attitude toward various economic sectors, and so on, which reflect the simplistic and hasty application of Marxism-Leninism.

Taking a broader look at the world, we can see that the current serious crisis in socialist countries involved a grave violation of the fundamental principles of Marxism-Leninism, particularly for building the economy and party, for the relations between the party and the masses, and for promoting democracy and the people's right of mastery. It is completely incorrect on the part of those who take this opportunity to attribute all the subjective mistakes in practical activities to the nature of Marxism-Leninism itself, and then to reject it. Such a viewpoint should be rejected.

The selection of a scope, form, procedure, and rate of socialist construction in each country pertains to the category of concretizing and applying Marxist-Leninist doctrine. If Marxism- Leninism is considered a rigid "unique and unchanged" dogma to be "implemented intact" regardless of the concrete historic conditions, it will conflict with the inherently creative nature of Marxism- Leninism. As a result, failure is inevitable. On the contrary, those who try in the name of "creativity" and "renovation" to distance themselves from the base of this doctrine, and those who profess to recognize Marxism-Leninism but act to do away with its revolutionary and scientific principles and slide down into the mire of opportunism, rightism or leftism, will inevitably meet setbacks.

In studying the application of Marxism-Leninism, attention should be paid to two aspects: First, are its general principles to be considered as epistemology suitable for all stages of development; and second, are the specific points of discussion appropriate to the historical circumstances which doctrinaires Marx and Lenin were living through. It is of the utmost necessity to avoid mixing up these two aspects—these two ways of studying Marxism-Leninism—and homogenizing them. It was mainly due to such a clear distinction that Lenin had relied on Marx to creatively develop Marxism, bringing about new contents for it to suit the requirements of the era. The reason that Marxist-Leninist doctrine has kept, is keeping, and will keep its vitality is because it constantly develops on the strength of generalizing new realities and the new scientific achievements in the developmental history of society, nature and human beings. Since the death of classical scholars Marx and Lenin, countless major changes in the world have occurred which exact the followers of Marxism-Leninism to study and summarize it and arrive at new conclusions to further enrich it.

As far as our country's socialist construction is concerned, countless theoretical problems need to be studied and resolved. Marx and Lenin did not provide us with ready answers to the actual problems arising from the process of socialist construction. There are new issues never raised under Marx and Engels, particularly those particular problems that economically backward countries have to face in their advance toward socialism without going through the stage of capitalist development. At the same time, some of Marx's and Engels's concepts of the future development of socialism no longer apply.

Let us take the commodity economy as an example. We know that according to Marx and Engels, the commodity economy does not exist under the socialist system. Their concepts were based on premises created by socialist construction in those countries which have gone through a highly capitalist developmental stage. Lenin himself once contemplated the possibility of bypassing commodity-money relations and shifting directly to the communist barter system. Through the results of wartime communist experiments, Lenin realized that his concepts were wrong. When socialist construction first started in Russia, where production forces had reached an intermediate level of development compared with other European countries at that time, Lenin recognized the indispensable role that production and goods exchange assume under the socialist system.

Following Lenin's death, in theory and practice, people have attached less importance to commodity-money relations, regarding them as formalistic and transient. At present, such an erroneous and immature concept of socialist commodity production has been rectified. Nonetheless, many problems concerning the goals of socialist commodity production still need further clarification. Here, it involves the problems of market mechanism and planning.

In the past, we attached absolute importance to planning and belittled the role of the market mechanism. It is true that the centralized planning mechanism had its own strong points and played a positive role in a definite historic setting. Nevertheless, given new conditions, the sole application of the planning mechanism—especially one that is based on the system of bureaucratic centralism—will certainly prevent production and business operations from bringing into full play their dynamism and creativeness. Therefore, we have recognized and combined market mechanisms with planning. In other words, our country's economy is regulated by the market through laws on value, competition, and supply and demand, as well as by planning, which sets socioeconomic development orientations through socioeconomic strategies and plans, lever policies, laws, and so forth.

Results of the renovation undertaken over the past several years have testified to the correctness of this combination. Nonetheless, a more in-depth study of the theoretical and practical aspects of the commodity economy still raises many issues to be addressed. What are the components of our country's market? What are the forms of market capital? What is the size of our manpower? What are the factors of production in our country which have not yet been taken into account or which have not yet been accurately assessed? What is the interaction between market and planning in terms of micro- and macroeconomic activities? What are the similarities and dissimilarities between the market mechanisms under the capitalist and the socialist systems?... Each of these problems alone poses countless questions.

In the meantime, there are countless other problems to clarify. At present, the enemy is blaming us for lack of democracy due to an unwillingness to implement political pluralism and to recognize a multi-party system and an opposition party system. Is it true that a one-party system is undemocratic whereas a multiparty or an opposition party system is democratic? The true nature of the problem is where and how to guarantee democracy under a one-party system. This is a subject that our country's theoreticians should pay attention to.

I would like to touch on another current issue. At present, taking advantage of a serious crisis facing the socialist camp worldwide, a number of bourgeois politicians and theoreticians have tried by all means to embellish the "free world," regarding the capitalist regime as everlasting and the socialist regime as outdated and as a running-off of the course of history. It is true that socialism is having difficulties. However, can one base oneself on that fact to negate the law of history that Marx has discovered, namely socialism will certainly replace capitalism? Is it true that the fundamental contradictions of capitalism have disappeared or have they continued to exist and have become more and more acute with every passing day? These problems call for answers based on scientifically solid grounds and high power of persuasion.

Realities indicate that the transition from capitalism to socialism on a global scale is a long, uneven, rough, and tortuous development of history. It is imperative that one must find one's own path through countless unexpected developments. It is important not to let oneself become pessimistic and disappointed because of those unexpected and complicated developments. Failure to do so will lead to disorientation and alienation from revolutionary ideals. It is important to fully understand the "zigzags" of historical evolution and also to realize even more clearly and have firm confidence in the inevitable course of the development of history.

A series of other fundamental issues must also be included in the research program, such as: How must the classical Marxist-Leninist scholars' viewpoints on socialism and the transitional period be correctly understood? How should one assess socialism theoretically and practically over the past 70 years—the characteristics of modern capitalism; the characteristics of the period of transition to socialism in our country; the system and various forms of ownership; the reorganization and renovation of the party; the renovation of political life and the democratization of social life; the mechanism of party leadership, state management and people's control, and so forth?

Among major issues I would like to stress the issue of Uncle Ho. The life, thought, ethics, and behavior of President Ho Chi Minh constitute an invaluable treasure for our party and people and for present and future generations.

Uncle Ho was a theoretician who made outstanding contributions to the creative application and development of Marxism-Leninism in our country. He concretized and enriched Marxism-Leninism in many fields, such as the national liberation revolution in colonial countries, the people's war, the united national front, the struggle strategy and slogans to carry out the strategic objectives of each period, the path to advance a backward agricultural country to socialism, bypassing the stage of capitalist development, the building of the party, the socialist democracy and the people's role in mastery of society, the building of new men, and so on.

The life, thought, ethics, and behavior of Uncle Ho not only live forever in our people's cause, but also deeply and broadly influence many countries in the world. It is now a primary duty of theoretical researchers to exploit, systematize, study, and apply the contents of Uncle Ho's rich spiritual legacy to the renovation process in our country.

In studying the aforementioned issues, we should develop them even more vigorously and profoundly to help perfect the platform and the socioeconomic development strategy. These are the theoretical bases for the central government to formulate specific policies.

Dear Comrades,

What I have mentioned above is directly related to the duties of TAP CHI CONG SAN. Its main duty is to propagate the party's viewpoints and lines. To do so, the journal must further scrutinize and engage in research to raise the quality of its theories and its militancy, to maintain close relations with realities, and to watch closely the needs of life. The journal must help summarize, on theoretical grounds, the practical experiences in renovation. In the immediate future, the journal should actively collect the views of large numbers of collaborators and readers on the draft platform and the socioeconomic development strategy for discussion and approval at the seventh party congress.

While adhering to its theoretical and political functions, the journal must strive to ensure that its written articles are profound theoretically, sharp politically, and significant practically. The articles may raise new research and polemical issues but the journal must analyze clearly the right and wrong aspects of issues in order to correctly orient the readers' thoughts. The journal should carry universal articles directed toward the masses for party members to read and understand so that these party members and the people will read it.

The new situation is posing heavy and complex duties for the journal. To satisfactorily fulfill these duties, the journal should develop its role of being a theoretical and political organ of the party central committee while at the same time being a scientific research unit. It must adhere to realities in life, attentively build and enlarge the contigent of collaborators and, particularly, conduct the basic and advanced training of its cadres to enable them to keep abreast of their new duties.

The theoretical task is the duty of the entire party. In performing its function, the journal should constantly renovate its contents and forms to improve its quality and attractiveness in order to become truly a center for intellectuals to gather and to positively contribute to building a theoretical base for the Vietnamese revolution. The party organs such as the Central Committee Departments of Organization, Ideology and Culture, Science and Education, and Financial Management should coordinate with one another closely to promptly solve operating problems for the journal.

Finally, I am firmly convinced that TAP CHI CONG SAN will unceasingly strive to grow and remain constantly worthy of being a theoretical and political journal of the party.

I wish you all, cadres, employees, collaborators and all the comrades present here, good health.

Do Muoi Attends Hanoi Art Exhibition

BK0401140491 Hanoi International Service in English 1000 GMT 4 Jan 91

[Text] Chairman of the Vietnamese Council of Ministers Do Muoi on Thursday, 3 January, called on the 1990 national fine art exhibition in Hanoi. The exhibition is held at its largest scale ever seen in Vietnam in which more than 13,000 paintings, graphics, compositions, and sculptures are on show.

Speaking to the organizers of the exhibition, Chairman Do Muoi welcomed the painters and sculptors who participated in this exhibition. He added that the diversity of the exhibits clearly justified the party renovation and the development to the Vietnamese fine arts.

Youth Union Improves Tasks in Northern Provinces

BK0401103191 Hanoi Domestic Service in Vietnamese 0500 GMT 3 Jan 91

[Text] The Ho Chi Minh Communist Youth Union [HCMCYU] Central Committee held a conference recently in Son La Province to discuss measures to improve tasks and activities in mountainous northern border provinces.

In 1990, youth of the seven mountainous northern border provinces organized many concrete activities to implement the socioeconomic task in their localities.

Delegates to the conference discussed measures to overcome shortcomings and weaknesses, especially in localities where cadres are weak and the budget for union activities is insufficient. They also mapped out plans to expand activities to the highlands region, where union chapters have not yet been established.

775,000 Ethnic Minority Members Settle in North

BK0401160391 Hanoi International Service in English 1000 GMT 4 Jan 91

[Text] It is reported that 120,000 families with about 775,000 minority people in the six northern mountain provinces of Vietnam have settled down to sedentary life. This is part of the movement for sedentary life of the ethnic minority in Vietnam.

The six northern mountain provinces of Son La, Lai Chau, Ha Son Binh, Hoang Lien Son, Ha Tuyen, and Vinh Phu planned to continue to take concrete and effective measures to promote this movement. They pointed to the need to develop forestry, household economy, and to step by step turn the self-sufficient economy into a commodity one, thus stabilizing and improving daily life of the minority in the region.

Institute Gains International Cooperation

BK0301155791 Hanoi Domestic Service in Vietnamese 0015 GMT 3 Jan 91

[Summary] "The Institute of Energy under the Vietnam Ministry of Energy is a research institute whose duty is to conduct research to support efforts to map out policies and programs for developing energy production and energy-related technology. To satisfactorily carry out these major tasks, the Vietnam Insitute of Energy has, in recent years, gradually broadened its cooperation with various countries and organizations in the world. In particular, the institute has devised plans to maintain close cooperation with the Institute of Power Energy in the northwestern part of Leningrad. The two institutes have successfully cooperated in carrying out three projects for developing Vietnam's power network for the periods of 1980-85, 1985-90, and 1990-95."

Thanks to its cooperation with this Soviet institute of energy, three years ago the Vietnam Institute of Energy built an anti- lightning technology research and application center to protect various power, industrial, and public unity projects in Vietnam. This is "one of the largest centers in the Asia-Pacific region, which is built with modern equipment capable of meeting all the needs for anti-lightning technology and suitable to the weather conditions of a tropical country like Vietnam where typhoons frequently create havoc."

Beside its cooperation with the Soviet Union, "the Vietnam Institute of Energy has, over the past three years, maintained close cooperation with the energy institutes of various developed industrial countries such as France and Japan as well as those of various international organizations." In the future, "these organizations will help the Vietnam Institute of Energy carry out a number of specific projects, including those designed to build small-scale hydroelectric power centers in Vietnam."

Since 1988, the Vietnam Institute of Energy has also maintained close relations with the Institute of Energy of French-speaking countries—IEPF. "This international organization has provided financial assistance to the Vietnam Insitute of Energy for preparing documents on the research and use of biogas."

Further Revenue Collected From Light Industry

BK0401160591 Hanoi VNA in English 1457 GMT 4 Jan 91

[Text] Hanoi VNA Jan.4—Last year, the Ministry of Light Industry contributed 70 billion dong as revenue to the state budget, 13 billion dong more than planned.

The branches of textile, garments, leather articles and footwear, paper and wood and plastics goods overcame many difficulties to compete against foreign goods and increase production.

The biggest revenue is from the textile export-import production union with over 42 billion dong.

The unions of paper, plastics, leather articles and footwear, ceramics and glass marketed a wide range of products able to compete with imported foreign ones.

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and a major evil in the world. We should say that an attitude which doesn't dare to make any mention of this evil is far from making the necessary preparations for the global revival of the movement.

(JCP's Advance and the Needs of the International Situation)

Regrettably, this is the position with the communist movements in the world. Under these circumstances I feel strongly that an advance by the JCP, based on the appeal made in the Second Plenum of the JCP Central Committee, is not only a requirement of the situation in Japan, but is also one for the objective situation in the world. This feeling is reflected in a letter from a member of the Communist Party of the United States of America, who said, "it is perhaps difficult to imagine the strengthening and encouraging effect" by JCP documents. But such repercussions are not common among the leaderships of parties in the world. As long as they leave the matter in abeyance without criticizing the Soviet Union for its error of big-power chauvinism and hegemony committed in the case of Czechoslovakia and Afghanistan, we cannot say they have begun to show renewed vitality as an independent and scientific party.

These parties, while suffering from great hardship, trouble and inner-party confusion, have not yet rid themselves of the long-standing error of subordination to the Soviet Union. This situation has made it far more important for us to make a correct analysis and to develop a perspective on international affairs. However, some raise the question, in contrast to its international stature, why the JCP has failed to make an advance domestically. Theoretically we have given the reason why, but it is necessary to overcome the difficulties in practice as well. I am convinced that the parties in other countries will not fail to put themselves in order so long as there are party members who are pursuing scientific socialism in both theory and practice. This is true also of the parties in Eastern Europe and the Soviet Union.

As the communist movements in the world have committed such extensive and deep-rooted errors, it will not be easy to recover, but recovery is a matter of certainty. Of the parties in the "socialist" countries fewer approve of the Tiananmen crackdown than in the past. As for the parties in other countries, it is historically inevitable that they will take the same line as we are now taking, whether or not they formally adopt the four norms of socialism accepted by the JCP, I believe the truth will steadily spread. Of course, we do not want to repeat the errors of the big-power chauvinists by becoming too much impatient and making the thoughtless export of our views to other countries. It's better to believe in the course of the development of history and do all that is humanly possible to assist in this.

Basic Point on Iraq Problem and Japan

Kawamura: Another issue attracting the people's attention is the Iraq question. Last November the Security Council of the United Nations adopted a resolution which allows the U.S. and others to use force in the Gulf. The deadline for Iraq to withdraw its troops from Kuwait, January 15, is now just around the corner. Both the U.S. and Iraq keep using diplomacy in the name of negotiations. How should we see the whole present situation around Iraq, and what is the future outlook? Would you give us the basic points on these questions? And what Japan should do on the issue that we face now, so please comment on this point, too.

Miyamoto: First, the fact that most countries criticized Iraq's unjustified invasion represents an advance in the world. The question is whether to settle the conflict by economic sanctions or to accept the use of force by the United States as authorized by the U.N.S.C. [United Nations Security Council] on this question, there are increasing voices among the American people against taking such risks. On the other hand, there is emerging anxiety that Iraq is so arrogant that economic sanctions alone will not be enough to settle the conflict. Some say that by using force the conflict can be settled in a few days, and others say it will develop into a major, drawn-out war lasting more than a few months, and that over 10,000 U.S. soldiers might be killed in the war. I do not think it is proper to jump to conclusions on the way the situation will develop.

In these circumstances, one thing that is sure is that the voices demanding a peaceful solution and against war are spreading among the people in the peace movements in the world, and it is important for us and our peace movement, to make efforts in line with this course.

The Iraq aggression is a lesson for us that the "new thinking" diplomacy, whose premise is that there is no ideological relations between countries, has proved to be groundless because it lacks reality.

(Great International Significance of Killing SDF [Self-Defense Forces] Dispatch Law)

On this occasion, I would like to touch on the question of the bill for the "U.N. Peace Cooperation Law" which was aimed at making it possible to send the Self-Defense Forces overseas but was killed in the Diet session last autumn. Underlying this were the widespread voices of the people who still remember the painful experiences of the war of aggression. This was what the politicians of the Liberal Democratic Party [LDP] overlooked. Contradiction between LDP politics and the true interest of the people, which AKAHATA has repeatedly pointed out, is thereby demonstrated.

On this issue, we heard some overseas voices, including the former president of the Vietnam veterans in the U.S. who praised the peace principles of the Japanese people. Peace activists of the United States and Germany who attended the Japan peace conference praised the Japanese struggle against the "U.N. Peace Cooperation Law" as splendid. It was the counter-attack of the people which had international pioneering significance which killed the bill. The LDP tried to make it possible to send the SDF abroad, by suddenly adopting coup d'etat tactics.

Secretary-General Ichiro Ozawa who did not experience the war and other politicians took the lead to make a breakthrough for the mal-revision of the constitution. But it was prevented.

But they quickly regrouped to attack again by concluding an agreement with the Komei and Democratic Socialist Parties, and they intend to include the Socialist Party. This struggle (to prevent any legislation for sending SDF abroad) is at present the most important problem concerning Japan's course. On the relationship between the United Nations and the Japanese constitution, the JCP has strongly pointed out that the big powers, as permanent members of the Security Council, dominate the United Nations and that all U.N. decisions are not necessarily correct. Therefore, we have stressed, it is important to struggle on the basis of the U.N. principle of peace and national self-determination and on Japan's constitutional position of peace as a common cause.

Direct opponents in the argument are LDP leaders who are represented by Ichiro Ozawa, LDP secretary general. They now appreciate that it has become an issue anyway: "It has became an issue" means that public concern and public opinion became not only on materials and funds being sent but also on the sending of personnel. They, who has consistently stressed since the formation of the Self-Defense Forces that national defense is the most important thing to defend the lives and property of the people, are now saying outrageously that not to expose the lives of the people is out-of-date. We have to raise our voices of criticism on this repeatedly and everywhere. Regrettably the Japan Socialist Party has proposed a plan for a peace cooperation force in its "outline of the establishment of a 'U.N. Peace Cooperation Organization'" though they don't realize its full implications. They were almost used by the LDP, who said that the JSP had a common base with the LDP, but the JSP narrowly escaped joining the three parties' agreement (the LDP, the Komei Party, and the Democratic Socialist Party). We appreciate this as a just decision and we would like to continue with such a view.

The serious point is that even some scholars who are pacifists are saying that the peace-keeping force is good and personnel should be sent to join it even by the formation of permanent units for this purpose. But these ideas arise from a lack of research and their submission to power, that is, an idea that whatever the U.N. does is good.

It is very good that AKAHATA started to frankly criticize these people. By persistently and fully appealing to the Japanese people on this point, we will be able to give a clear answer on the political task of the greatest importance this year, that is, the maneuvers for the overseas dispatch of the SDF. It is obvious that this problem is not only a question of peace but also one connected with the defense of the people's livelihood, if you see the relationship between military expenditure and the consumption tax and social insurance.

Some people see the killing of the bill for the overseas dispatch of the SDF as an end of the question. But it is important that the JCP and AKAHATA ceaselessly and repeatedly raise, with fresh and interesting presentation this question before the people, insisting that any new legislation which will lead to the overseas dispatch of the SDF should not be allowed. It is a question of great importance which can be an issue in the local elections. (to be continued)

New Defense Chief Interviewed on SDF Buildup

OW0301083991 Tokyo THE JAPAN TIMES in English 1 Jan 91 p 11—FOR OFFICIAL USE ONLY

[Report on interview with Yukihiko Ikeda, newly appointed director general of the Defense Agency, by Akiko Kusaoi, THE JAPAN TIMES staff writer, on 30 December; place of interview not given]

[Text] Japan should continue its steady defense buildup despite eased East-West tension in Europe, Yukihiko Ikeda, the new director general of the Defense Agency, told THE JAPAN TIMES on Sunday.

Ikeda said the National Defense Program Outline—Japan's fundamental defense charter, adopted during the Cold War era in 1976—remains valid because of the uncertain future of Asia's security situation. The prime example is the Korean Peninsula, where the situation is fluid as Seoul and Pyongyang apparently move to improve relations, Ikeda said.

"It is not appropriate to try to form a new outline for future defense policy right now, because we are still in the process of radical changes," Ikeda said. "Japan should continue for now to maintain its basic defense abilities within the framework of the 1976 outline."

Ikeda stressed that the future of the two Koreas as well as of Soviet reforms remains uncertain. Although "changes are heading in favorable directions," it is difficult to forecast exactly what will happen, he cautioned.

Ikeda said he opposes calls for an immediate review of the 180,000-person quota for Ground Self-Defense Force soldiers, stipulated in a table attached to the policy outline. The ground force has had difficulty attracting personnel, but that should not be a reason to reduce the quota, he said. He did say, however, that the agency is shifting its emphasis from acquiring new weapons systems to improving the living conditions of Self-Defense Force members, "an area that has long been neglected."

"I sympathize with SDF members, because their hard work without enough reward has not received due understanding (from the public)," Ikeda said.

Referring to Japanese contributions to world peace and security, Ikeda said he will closely monitor discussions between the Liberal-Democratic Party and two opposition parties over making a personnel contribution to United Nations peacekeeping activities and then see if

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the agency can do anything to support the plan. A bill to create a UN Peace Cooperation Corps—to consist of noncombatant SDF personnel and others—was killed in the Diet in November.

The defense portfolio is Ikeda's second cabinet post. He served as director general of the Management and Coordination Agency for 69 days under Prime Minister Sosuke Uno.

The 53-year-old graduate of the University of Tokyo has labored in the Finance Ministry for 10 years. He has been elected to the House of Representatives six times from the No. 2 Constituency in Hiroshima Prefecture. He said his motto is to try to create hsitory and a tradition for others to follow. His statements in the interview, however, reflect well-established agency views.

Editorial Views New Five-Year Defense Program

OW2812000390 Tokyo MAINICHI DAILY NEWS in English 25 Dec 90 p 2—FOR OFFICIAL USE ONLY

["Editorial: "New Five-Year Defense Budget"]

[Text] The new five-year defense plan, set to begin next fiscal year, has been formally approved. Totaling 22.75 trillion yen, the average yearly rate of expansion will be about 3 percent in real terms.

Besides setting the framework for defense expenditures over the next five years, the new budget is linked to the basic policy of what defense measures should be adopted, bearing in mind the international post-Cold War situation. The nation's attitude in this respect is being watched not only by our Asian neighbors, but also by the entire world.

When it is considered that many countries, including the United States and the Soviet Union, are reducing their defense expenditures, the concept of Finance Minister Ryutaro Hashimoto "to make next year's defense plan a turning point in our defense policy" makes sense.

But is this actually taking place? Prime Minister Toshiki Kaifu has emphasized that defense expenditures are being restrained. While it is acknowledged that spending on front-line military equipment, including tanks, fighter planes and warships, is being curbed, logistics, communications and research and development are to be improved.

At a time when various countries have embarked on slashing their military expenditures, it is questionable for Japan to carry out a 3 percent expansion for five years, which will further expand what is already the third highest military budget in the world. This is likely to invite the apprehension of our neighbors.

The Japanese Government itself has recognized the nullification of the "Soviet threat," which had been the basic reason for the increase in past military spending. Notwithstanding, no explanation has been given as to why the introduction of AWACS (Airborne Warning and Control System) planes and a strengthening of our military power are considered necessary. Are these supposed to be examples of "restraint?"

The levels set forth in the "Outline of the Defense Program," adopted 14 years ago, have virtually been attained by the "medium-term defense plans" that are now being carried out. The defense concept for the period after that has not yet been clarified. It is certain that the concept of 14 years ago, which pointed out that "factors causing various confrontations exist in East-West relations centering on the United States and the Soviet Union," is no longer valid in the post-Cold War era.

Voices have arisen within the government to restudy the recognition of the international situation. As a result, the Cabinet has adopted "a basic concept" which states that "East-West relations have transcended the Cold War ideology and are moving into an age of dialogue and cooperation." Moves for the easing of tension in the Asia-Pacific region are also recognized. This is a virtual revision of the concept of international relations contained in the "Outline of the Defense Program." Nevertheless, the "Outline" itself remains unchanged.

Thus the new defense budget, the first since the end of the Cold War, lacks a clear defense concept and is far from conforming with the new international situation. It is regrettable that this long-range defense plan has been approved without discussions, which are indispensable for gaining public understanding. Thorough discussions should take place in the National Diet in order to obtain not only public understanding but also public approval. This should then be followed by a restudy of the defense budget.

'Money-Power Corrupt Politics' of LDP Condemned

OW2812114390 Tokyo JPS in English 0944 GMT 28 Dec 90—FOR OFFICIAL USE ONLY

[Text] Tokyo Dec 28 JPS—On the prosecution of Toshiyuki Inamura, former director general of the Environment Agency, Atsushi Hashimoto, head of the Japanese Communist Party Commission for Investigation of Money-Power Corrupt Politics issued a statement on December 27. The statement says:

Today, Toshiyuki Inamura, former director general of the Environment Agency, was indicted for suspicion of the tax evasion. The indictment says that Inamura evaded a tax for profits made by selling stocks taking advantage of stock speculation operated by Hiromitsu Kotani, representative of a stock speculation group, "Koshin". Such an act can never be allowed for a dietmmber, who participates in national politics entrusted by the people. He evaded a tax during his position in director general of the Environment Agency, and it also has been made clear that stockbrokers were frequently visiting his office.

Not only is it is out of question to use the office of director general for making money by stocks trading, but it is being suspected that this is so-called insider trading making use of the political position as being a member of cabinet. Inamura should resign dietmember to [word indistinct] the political and moral responsibilities of the scandal.

It has been revealed that many politicians are involving in stock speculation by Koshin. They include those close to former Prime Minister Yasuhiro Nakasone, who made an enormous amount of money in a short period by selling stocks, and former LDP Policy Research Council Chairman Hiroshi Mitsuzuka, who is involved in obtaining Kokusai Kyogyo. The prosecuting authorities should reveal the incident thoroughly before the people.

The prosecution of Inamura showed the ingrained LDP's money-power corrupt politics. In order to avoid criticism of the money politics by the people, the Kaifu cabinet is trying to introduce a single-seat constituency system and a political party law in the name of political reform. Their scheme can never be accepted.

The Japanese Communist Party will make every effort for a thorough investigation of the scandal, calling dietmembers concerned to account political and moral responsibility, and will struggle for elimination of corrupt politics.

'Drastic' Reform Needed To End Corruption

OW2812110690 Tokyo THE JAPAN TIMES in English 27 Dec 90 p 22—FOR OFFICIAL USE ONLY

[Editorial: Halfhearted Reform Is Not Enough"]

[Text] The governing Liberal-Democratic Party [LDP] on Tuesday approved a political reform plan which is designed to replace the current multi-seat electoral districts with single-seat constituencies for a majority of Lower House members. Political reform, however, is a permanent problem in this country, which as a slogan wins support from all politicians but which when specific charges are concerned faces some opposition or other from almost every politician. The just-adopted LDP plan is no exception. Even Liberal-Democrats dispute it and all the opposition parties describe it as representing a highly parochial LDP attempt to consolidate its position as the party in power.

The plan is based on the idea of electing 300 Lower House members from single-seat districts and 171 others under a proportional representation system. The total number of 471 is 41 less than the current total and 30 smaller than the number recommended by an advisory group. This will meet the prevailing view that the current size of the Lower House is too large. A reduction in Diet seats, however, means that much reduction of the possibility of politicians being elected.

And it is readily predictable that the government party will try to decide the distribution of single-seat constituencies to the best interests of itself. Politicians to be vitally affected will be those of the opposition parties and some Liberal-Democrats. Implementation of such a significant change to the electoral constituency system will face desperate resistance from those who see a fatal danger to their political careers in the proposed reform.

Such resistance is already mounting though in fact, the LDP plan is still in embryo form. The opposition parties have been criticizing the LDP in chorus for allegedly camouflaging the urgent need of eliminating money-power politics with a selfish makeshift change to the electoral system. They insist that the first thing to do is to eliminate the outrageous role of money in the nation's politics. And they have good reason for their argument.

In its two "recommendations" last April and July, the Election System Council proposed that political donations from corporations and interest groups should be made only to political parties in order to eliminate financial relationships between donors and individual politicians. In the LDP plan, however, monthly donations of less than Y20,000 can be made to individual politicians. This watering down of proposed restrictions on the flow of political funds makes not only the opposition parties but also the public suspect that the governing party is only halfhearted about reducing the influence of money on politics.

The opposition parties also criticize the LDP for changing the combination of a single-seat constituency system and a proportional representation system. The advisory council had recommended that the ratio of Lower House members between those elected from single-seat constituencies and those elected under the proportional representation system be set at 6 to 4, compared with 6.5 to 3.5 in the LDP plan. Furthermore, the council had proposed to divide the votes cast in proportional representation into 11 blocs to have the popular vote reflected in the distribution of Diet seats as fairly as possible. But the LDP intends to allocate such seats on the basis of a national total.

In the eyes of the opposition parties—and of most voters as well—the Liberal-Democrats seem to be trying to demarcate the single-seat districts in a way to take advantage of the current distribution of its popular support and to put that strong support to its best use in the proportional representation category.

The LDP plan is intended to be a start to writing a final reform bill by next April through further discussion and coordination within the party and with the opposition parties. Initial reactions to it, however, are so negative that any reasonable reform based on the LDP plan appears doomed. What is crucial in this connection is the fact that the opposition parties have a combined majority in the Upper House. Despite such a bleak outlook, however, the nation's politics demands drastic reform to root out the causes of corruption, to establish fairer political representation and, above all, to regain public confidence in politics itself. Without these, our politics has seriously eroded even social justice—see how the money-politics' inability to restrain speculation in land over the past few years is affecting ordinary citizens. Let us hope there will be politicians who are determined to bind their own hands for the sake of political reform.

* MOF Blamed for State of Securities Industry

912A0053A Tokyo SHUKAN TOYO KEIZAI in Japanese 10 Nov 90 pp 56-57—FOR OFFICIAL USE ONLY

[Article by Tsutomu Shinohara, an editorial staff member of the SHUKAN TOYO KEIZAI]

[Text] All securities firms registered sharp decreases in profits for the half-yearly settlement term ending in September. Some even suffered operating losses. Fortunately the market of late has recovered somewhat from the nadir of the recent nose-dive. Nevertheless, the stock market has completely lost investors' confidence. An upswing in stock prices would only lead to another wave of selling; thus, market adjustment is likely to be a time-consuming process. Some hold the view that the stock market will not be able to pull itself out of the current slump for the next several years. Among the securities firms that have indulged in unprincipled expansionism in the past, some could very well end up in a sad plight. At any rate, investors have suffered serious damages from the recent market slump. How can the securities industry regain the confidence of investors is a question that begs the industry's earnest reflection for the sake of its future.

"Watered" Ordinary Profits

The results of the half-yearly settlements by listed securities firms, made public on 23 October, showed that the combined ordinary profits of the 25 firms declined by 65 percent as compared with the same period a year ago. The realities were even more severe than that. The losses resulting from the valuation of investment securities, which had been included in nonoperating profits and losses in the past, were treated as extraordinary losses beginning this period; as a result, the ordinary profits were "window-dressed" for this period. This was done based on the guidance from the Ministry of Finance [MOF] which, in its role as the supervisory agency, had apparently feared that the appearance en masse of securities firms operating in the red would further depress securities stocks, which in turn would have a serious impact on the market as a whole. Be that as it may, we find it difficult to condone such an act of meddling by the MOF forcing the bending of the principle of continuity in business accounting.

It is beyond dispute that for a long time the securities industry under the MOF-led protective handling has enjoyed operating conditions far more favorable in comparison with the fierce competition which other industries in general have had to cope with. On the other hand, such protective handling has led the securities industry to grow up with a structure that has remained very fragile. It is a well-known fact that during the bear market that began at the beginning of the year Japanese securities firms have been thoroughly outperformed and even toyed with by foreign investors and foreign securities firms.

Getting to the bottom of the cause of the latest nose-dive in stock prices, even though there are such contributing factors as the upturn in interest rates and the Iraqi shock, one has to recognize that the MOF must bear a very large share of the responsibility for it. "How the market turns out is the investor's own responsiblity"—this may be very true, but is it not also fair to say that in point of fact the MOF is the party to blame for having wrought self-destruction to the mores of the sound stock market?

The releasing to the public of the NTT [Nippon Telegraph and Telephone Public Corporation] shares, done ostensibly in the interest of recouping the nation's financial deficit, dragged into the stock market even those who had never had anything to do with stocks previously, who in the end suffered huge losses. Despite the cries of lamentation by these grassroots investors, the MOF, who reaped vast profits from the sale of NTT shares, has not taken any measure to prop up the market. Under these circumstances, even if Sony and many other corporations were to show blatant reluctance to return their profits to shareholders in the form of gratis allocations or increased dividends, neither the MOF nor the stock exchange would dare say anything critical about it. Also, it is only natural for investors to give up the idea of holding onto stocks as long-term assets.

The stock market in recent years, as indicated in the expression "the institutional-investor phenomena" that has characterized it, has completely neglected individual investors. Previously both the government and the private sector had endeavored to foster individual investors; that effort, too, has now been thwarted by "official" hands. The introduction of future, arbitrage transactions, and option trading has transformed the stock market of our country into what amounts to "a place for gambling," creating one huge speculative market totally prohibitive to ordinary investors. The introduction of such modes of trading was done by former officials of the MOF.

The futures market spread like a wildfire: in 1987, the "Stock Futures 50," backed by 50 key issues, was born with the blessing and encouragement of the chairman of the Osaka Stock Exchange; in 1988, the Osaka Stock Exchange introduced the "Futures 225" while the Tokyo Stock Exchange initiatied the "TOPIX [Tokyo Stock Price Index] Futures." In the United States, meanwhile, in the wake of the Black Monday of October 1987 came the realization of the problems inherent in the futures market and regulatory controls were strengthened;

Japan, however, did not even try to glean an object lesson from what happened in the United States.

Forgotten Customer-First Policy

Securities firms, banks, and other institutional investors all have set up their own "dealing room" and put money into it for computerization—this, too, in the view of some, came about because of the implicit and explicit guidances provided by the MOF. The English word "dealing" sounds impressive; put it in Japanese, however, it simply means near-term market operation. It may work well in mere theory; in reality, however, it is apt to be outwitted by the market time and time again, leading to one failure on top of the other.

At any rate, probing the reason for the latest sharp decline in profits among securities firms, one cannot help but be shocked anew to note the strong sense of peer competition among securities firms. Obviously lured by, among other things, the sustained bull market during the past seven years or so, even those firms that were initially cautious changed their attitude along the way—frantically they increased personnel, invested in computers, and expanded their branch network, lest they be out performed by others. There is no doubt that everything they did along these lines turned into a heavy burden on them the minute the market collapsed.

For sure, faintheartedness has seldom led to a victory in the past within the securities industry; rather, it is a fact that offensive operations with aggressiveness and more aggressiveness have produced generally favorable results. Still, if a securities firm with no competence should overstretch itself to the extent of setting up an investment advisory company as its subsidiary or assuming the sole responsibility of managing the fund belonging to an institutional investor as if it were its own operating cash on hand, naturally it would find itself in a painful plight once the market turned bearish. The consequence would be even more serious if such a securities firm had committed itself to "guaranteed returns" for its clientele—like certain major securities firms that had in fact provided "loss compensations" to their corporate clients.

In this connection, when securities firms try to revitalize themselves constitutionally in the days ahead, a major problem they need to focus on probably is their treatment of computers. It is nothing more than an illusion to think that the use of computers makes it possible to instantly pick a winning issue. No matter how much up-to-date information is inputted into the computer, the sudden appearance of a Saddam Hussein would completely upset the market trend. A computer cannot provide an advance clue on any impending violent fluctuation of the market due to an unforeseen turn of events.

Furthermore, the so-called system investment by means of computers, which became something of a fad for a while, is a mixed-bag method of investment that is tantamount to, say, a "slipshod accounting" system. When the market is bullish, this method may be able to ensure appreciation of the investment at a level on a par with average stock prices; once the market turns bearish, however, the inherent weakness of some of the shares comprising the portfolio will come into play all at once and amplify the degree of depreciation of the investment. The system investment is a manifestation of the state of institutional investors who have mislaid the market philosophy and have lost self-confidence.

To date, all securities firms alike have devoted themselves entirely to earning more commissions by increasing the rate of buying-selling turnover on the part of investors. But when the stock market is such that investors cannot make money but lose money instead, clients will desert securities firms. It is time for securities firms to return to the starting point—the customer-first policy.

Mongolia

Democratic, Progress Parties Urged To Merge

OW0401174491 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1535 GMT 4 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, 4 Jan (OANA-MONTSAME)—A group of members of the Mongolian Democratic Party (MDP) and the Party of National Progress (PNP) called for merger of their parties.

The statement issued by the group was read out two days ago on Mongolian TV.

So far the leadership of the two major opposition parties have not shown any reaction to the proposal of the said group.

Herdsmen, Peasants Party Publishes Draft Rules

OW0501205191 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1423 GMT 5 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, 4 Jan (OANA-MONTSAME)—The leadership of the Union of Mongolian Herdsmen and Peasants set up last spring have made the decision to reorganize the union into the Party of Herdsmen and Peasants (PHP).

Yesterdays issue of the paper CHOLOOT HUDULMUR published the draft rule of the would-be party. The Party of Herdmen and Peasants will stand for democratization of the political system in the country in conformity with the interests of the majority. Of the population and elevation of living standards of the people through strengthening the national economy the document says.

Along with the Union of Mongolian Herdsmen and Peasants the Public Movement for Herdsmen expressed the willingness of its activists to join the new party.

The new party's first congress is expected to be held in the first half of 1991.

Press Review Notes Abolishment of Ministries

OW0501204891 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1420 GMT 5 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, Jan [no date as received] (OANA-MONTSAME)—Today's issue of the government paper ARDYN ERH, reports on the adoption by the State Little Hural-Mongolia's standing legislature of the law on the president. President P. Ochirbat personally attended the discussion of the law by parliament.

The same paper publishes the resolution of the Mongolian Government adopted in connection with the abolishment of the Ministry of Agriculture, Light and Food Industry. According to the resolution instead of former ministry independent industrial and trade amalgamations and firms are to be set up. Besides, some big industrial enterprises and business organizations operating in the field of agriculture and light industry are granted the right to work independently.

The ARDYN ERH paper makes public the results of the recent census of domestic livestock. According to them by the end of 1990 there were 25.4 4 million head of livestock in Mongolia. Over the last years the number of cattle, horses, goats and sheep has been increased in the country whereas the population of camels dropped down by 25 thousand head.

The same papers reports on the signing by the Mongolian trade and industrial society Mongolerdene and the All-Chinese state Amalgamation of non-ferrous metallurgy of a protocol on the establishement of direct tie-ups.

The paper also publishes the law on the amendments to the civil law of Mongolia confirmed the other day by the president. The new amendments concern mainly the development of multiple forms of ownership. The capital's paper NIYSLELIYN SONIN BICHIG gives a lot of its space to issues connected with Mongolia's transition to a market economy.

The ruling party paper UNEN carries an information on the constitutive meeting of the Society of Mongolian Engineers. C. Abdai, director of the Polytechnical Institute was elected president of the new society.

36 Newspapers Begin Publishing in 1990

OW0401174191 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1537 GMT 4 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, 4 Jan (OANA-MONTSAME)—1990 saw the newspaper boom in Mongolia despite the serious shortage of newsprint. Last year 36 new papers came out in Ulaanbaatar alone. The first of them to appear was the paper "SHINE TOL" issued by the Mongolian Democratic Association (MDA) and the Mongolian Democratic Party (MDP). Its first issue came out on February 10.

The youngest of the new publications is the paper "ITGELT" which is being published by the Union of Owners of Private Enterprises.

Many people here consider such a boom of periodicals one of the most conspicuous results of the democratic changes taking place in Mongolian society.

Scientists Forward Petition to Government Leaders

OW0501205391 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1425 GMT 5 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, 4 Jan (OANA-MONTSAME)—The meeting of scientists incorporated into the MPR [Mongolian People's Republic] Academy of Sciences held yesterday advanced a petition addressing President P. Ochirbat, Vice-President R. Gonchigdorj and Prime Minister D. Byambasuren.

Experiences of other countries show clearly that only those countries which give priority to the promotion of scientific thinking and scientific activities ensure rapid progress and prosperity. Over the past 30 years of its existence the MPR Academy of Sciences has made valuable contributions to the development and progress of the country. At present more than sixty academic institutes rank on the whole about 600,000 rpt 60,000 [figures as received] scientific researchers. However, the recent cosmetic reorganization of former state committee of science and technology into the Ministry of National Development has led to the duplication of science management. The granting to the Ministry of National Development of a monopolistic right to distribute means allocated for the development of science has deprived the Academy of Sciences of the possibility to use appropriately the scientific and intellectual potentials at its disposal and finance scientific programmes and research projects, the petition says.

In connection with such a situation the participants of the meeting called on the country's leadership for conserving as before, the status of the Academy of Science as supreme scientific organization of Mongolia and guaranteeing its right to operate independently under the aegis of the president.

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Youth Unemployment High in Rural Areas

OW0401174691 Ulaanbaatar MONTSAME in English to BAKHTAR Kabul 1530 GMT 4 Jan 91—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, Jan [no date as received] (OANA-MONTSAME)— 81.7 pc [percent] of the total of 6.5 thousand jobless persons registered in Bayan Olgiy Province in the northwest of the country are young people.

Local authorities concerned about such a situation devoted the last session of the local legislature to the discussion of issues connected with the settlement of social problems of youth and children.

Philippines

Ministry Predicts Diplomatic Ties With DPRK

OW0601074291 Tokyo NIHON KEIZAI SHIMBUN in Japanese 5 Jan 90 p 8—FOR OFFICIAL USE ONLY

[By Izumi]

[Text] Manila, 4 Jan—The Philippine Foreign Ministry made a prediction on the establishment of formal diplomatic relations with North Korea (DPRK). It said that it expects the establishment of relations "to come after Japan and the United States normalize their relations with North Korea."

The ministry also revealed that the Philippines plans to conclude a $7-million trade agreement with North Korea before normalizing relations with that country.